184

TRADE OF SOUTH AFRICA.

PAM AFRICA - S. South Africa

REPORT

ON THE

TRADE OF SOUTH AFRICA

For the Year 1918,

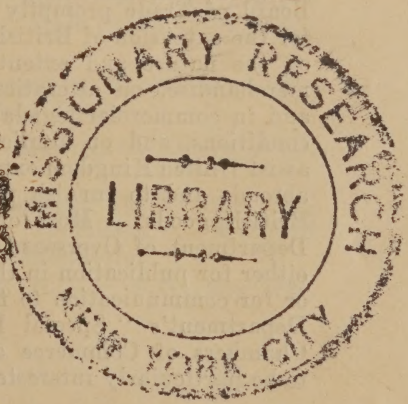
BY

MR. J. L. WILSON-GOODE

(*His Majesty's Trade Commissioner at Cape Town*).

Wilson-Goode, J. L.

Presented to Parliament by Command of His Majesty.



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DEPARTMENTAL NOTE.

Trade Commissioners have been appointed by the Board of Trade since 1908 in each of the overseas Dominions—Canada (covering also Newfoundland), South Africa, Australia, and New Zealand—with a view to the development of inter-Imperial Trade.

The Service has now been extended and, at the present time, three Trade Commissioners are stationed in Canada, at Montreal, Toronto and Winnipeg, respectively; two Trade Commissioners in South Africa at Johannesburg and Cape Town; two Trade Commissioners in Australia, at Melbourne and Sydney; and one each in New Zealand, at Wellington, India (to cover Ceylon), at Calcutta, and in the British West Indies at Trinidad. A Trade Commissioner has recently been appointed to British East Africa, and he will shortly proceed to his post. A Trade Commissioner is also stationed at headquarters, while it is proposed to station Trade Commissioners at Bombay and Singapore at an early date.

The principal duties of these Commissioners are to advise the Board of Trade promptly of all opportunities which may arise for the extension of British trade; to report, as occasion requires, on the nature and extent of foreign competition with British merchandise, on alterations in customs duties and regulations and in commercial legislation generally, on financial and trade conditions, and on similar matters of commercial interest; to assist United Kingdom exporters in establishing trade connections abroad; and to furnish periodically lists of probable buyers of British goods. Most of this information is utilised by the Department of Overseas Trade (Development and Intelligence) either for publication in the weekly "Board of Trade Journal,"* or for communication to firms whose names are inscribed in the Department's "Special Register,"† or for communication to Chambers of Commerce and certain Trade Associations likely to be particularly interested.

The Commissioners also reply to all enquiries on commercial subjects which may be addressed to them by British manufacturers and merchants. It is in general desirable, however, that enquiries of this sort should be addressed, in the first instance,

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† This relates to information of a more or less confidential character. Details as to obtaining the advantages of the service can be obtained from the Comptroller-General of the Department of Overseas Trade (Development and Intelligence), Block 4, Queen Anne's Gate Buildings, Old Queen Street, S.W.1.

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to the Department of Overseas Trade (Development and Intelligence) at Block 4, Queen Anne's Gate Buildings, Old Queen Street, S.W. 1, as that office is often in possession of the information sought, and is, consequently, in a position to save the enquirer much delay.

Trade Correspondents have also been appointed at various important centres in the Dominions with a view to supplying local trade information and replying to enquiries affecting local trade conditions.

The addresses of H.M. Trade Commissioners in South Africa, to which enquiries of the nature above referred to may be sent, are as follows:—

Johannesburg	...	Mr. W. G. Wickham, P.O. Box 839, Goldfields Buildings, Eloff Street, Johannesburg (H.M. Senior Trade Commissioner in South Africa). Telegraphic Address: "Austere."
Cape Town	...	Mr. J. L. Wilson-Goode, P.O. Box 1346, Norwich Union Buildings, Cape Town. Telegraphic Address: "Austere."

The following are the names and addresses of the Imperial Trade Correspondents in South Africa:—

Union of South Africa:		
Cape Province	...	Mr. J. S. Neave, M.B.E., Library Buildings, Main Street, Port Elizabeth.
		Mr. W. Crawford Mackenzie, Union Street, East London.
Natal Province	...	Mr. A. D. C. Agnew, 412, Berea Road, Durban.
Orange Free State Province.		Mr. G. Smetham, P.O. Box 101, Fichardt Chambers, Maitland Street, Bloemfontein.
Rhodesia	... ...	Mr. Lochée Bayne, P.O. Box 599, Bulawayo.

NOTE.—Mr. Wickham was engaged on his official tour in the United Kingdom during the greater part of 1918, and the report on the trade of South Africa for that year has accordingly been prepared by Mr. Wilson-Goode, H.M. Trade Commissioner at Cape Town.

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DEPARTMENT OF OVERSEAS TRADE
(Development and Intelligence),
Block 4, Queen Anne's Gate Buildings,
Old Queen Street, S.W.1.
September, 1919.

REPORT

ON THE

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(*His Majesty's Trade Commissioner at Cape Town*).

Introductory Remarks.—Quite apart from its association with the war period, the year under review was an eventful one and full of significance for the people in South Africa.

The epidemic of "Spanish Influenza" broke out in the month of September and, spreading rapidly, raged fiercely throughout October thereby causing great loss of life and dislocating, for the time being, the public services and other activities in the Union and Rhodesia. Some consolation for its disastrous effects lies in the fact that it served to reveal the appalling conditions under which some of the poorer classes were living, and the pressing need for the betterment of the housing accommodation in some of the towns.

Owing to the protection afforded by the British Navy and the heroic services of the Mercantile Marine, South Africa was spared the worst effects of the war; and from an economic standpoint the country gained far more than she lost.

The further curtailment of shipping facilities during 1918 threw South Africa more and more upon her own resources with the result that there was a marked increase in the development of agriculture and internal industries.

The drought at the close of the year had an adverse effect upon the export trade, but, otherwise, seasons have been good and a large measure of prosperity has been enjoyed by all producers, with the exception of those associated with the overseas trade in fruit and ostrich feathers.

War conditions enabled South Africa to develop a considerable trade with the South-West Protectorate, East Africa and the territories to the north of the Zambesi. In spite of the difficulties associated with ocean transit, the imports and exports for the year 1918 constituted a record in point of value, for which the inflated values of all classes of merchandise were largely responsible.

Prices of commodities rose enormously, and the resultant higher cost of living, together with the demand for a larger share in the increased prosperity of the country, caused a good deal of labour unrest.

The restrictions imposed upon the trade of the United Kingdom stimulated foreign competition in South Africa, more especially the competition of the United States of America and Japan.

Prior to the war, cheapness rather than quality was the distinguishing feature of the trade with South Africa but the greater prosperity of recent years has created a demand for better class articles by both the European and native populations, which is calculated to have an important bearing upon the future requirements.

The possibilities of civil aviation in South Africa are receiving consideration and the prospects of the inauguration of a regular air service between the Cape and Cairo are by no means remote. Although the Department of Posts and Telegraphs of the Union of South Africa has no immediate intention of taking steps to establish an aerial service for the conveyance of mails within the Union, it is collecting as much data as possible in connection with services that have been started in other countries with a view to possible utility in South Africa at a later date.

An improvement in the general conditions of labour is expected to result from the Factory and Wages Regulation Acts of 1918.

Finance.

Public Finance.—The Budget which was presented to the House of Assembly in February, 1919, was briefly as follows:—

1917-18.	£
Revenue	19,657,000
Expenditure	18,959,000
Approximate surplus paid to Public Debt Commissioners	698,000

1918-19.	£
Revenue (Revised Estimate)	21,270,000
Expenditure (Revised Estimate) ...	21,339,000
Estimated Deficit	69,000*

1919-20.	£
Estimated Revenue from existing sources	20,629,000
Estimated Expenditure	22,164,000
Estimated Deficit	1,535,000

* Since the introduction of the Budget into the House of Assembly, a further revision has been made, with the result that there is a small surplus in place of a deficit of £69,000.

This deficit is to be met by the following methods:—

	£
Spirits imported: Duty increased from 23*s.* 6*d.* to 30*s.* per gal.: to yield ...	120,000
Brandy, Colonial: Excise duty raised by 2*s.* 6*d.* per gal.: to yield	200,000
Beer: Excise duty raised by 2*d.* per gal.: to yield	55,000
Diamonds: Export duty raised from 5 to 10 per cent. *ad val.*, alluvial diamonds to be included: to yield	420,000
Total Additional Taxation	795,000
Excess Profits Duty: Transferred from Loan Account to Revenue Account— Estimated yield	600,000
Total Additional Revenue	1,395,000
Leaving a deficit, for which no provision is made, of	140,000
Total deficit	1,535,000

The growth of expenditure in the current year on the original estimates is attributed to the war bonus, which amounted to approximately £580,000, and to the influenza epidemic, which cost approximately £290,000. Other contributory causes included the growth in the service of the public debt.

It is estimated that at least 12½ millions of the total revenue is derived from taxation. It will be seen that the estimated revenue for the new year, 1919-20, falls short of the probable revenue for the current year, 1918-19, by about £640,000. This is explained chiefly by the anticipated decline in customs duties yield. The view is held that stocks now in the country are large, and that importations are likely to be on a reduced scale, or, at any rate, that the class of goods imported is likely to come more extensively under the free list.

The income tax on incomes for the twelve months ended 30th June, 1918, is expected to produce £3,875,000, of which £3,188,000 will be collected during the financial year ending 31st March, 1919. This amount will be distributed as follows:—

	£
Gold mines	850,000
Diamond mines	370,000
Industrial and other ...	2,655,000
Total	3,875,000

For the tax year ending 31st June, 1919, it is expected to collect from income tax £4,050,000, of which some portion will be arrears from previous tax years.

It will be seen that the estimated deficit of £1,535,000 in 1919–20 is to be made up by taxing luxuries and by diverting the yield of the Excess Profits Tax from the Loan Account to the Revenue Account.

Increased taxation is not calculated to curtail the spending power of the consumers to a very marked extent, although it will probably reduce the consumption of articles which can be dispensed with. Part of the money collected in taxation would, if there were no tax, be spent in many cases on what may be termed luxuries.

Public Debt.—It is estimated that the public debt on March 31st, 1920, will be £166,270,000, and of this £152,044,000 is funded. The annual interest charges amount to £6,400,000.

Railway and Harbour Finance.—At the beginning of the year it was estimated that, with the railway rates then ruling, there would be a deficit at the close of the year of £1,169,396. Consequently, on May 11th, 1918, the railway rates were increased to procure the necessary revenue. Although the earnings fell during the influenza epidemic, which was responsible for a loss of approximately £550,000 to the railway revenue, the earnings during the remaining period of the year were better than was anticipated. The gross railway and harbour expenditure for the year 1918–19 is expected to exceed the original estimates by £714,653, but, as the increased revenue is also expected to exceed the original estimates by £805,045, the result is estimated to be £90,392 better than was budgetted for. Added to the surplus of £17,004 from the year 1917–18, this makes a total of £107,396, which reduces the original estimated deficit of £1,169,396 to £1,062,000. It must, however, be borne in mind that the increased railway rates have been in operation for the greater part of the year.

As regards the year 1919–20, Parliament has been asked to vote £20,324,070 for the working of the railways and harbours, or £2,964,019 in excess of the amount voted for a like purpose during the previous year. This amount, however, includes the estimated deficit of £1,062,000 brought forward from the year 1918–19. The anticipated revenue for the year 1919–20 is stated to be £19,446,570, so that the total deficit is estimated to be £877,500, although it is expected that the actual result of the year 1919-20, excluding any deficit carried forward, will show a surplus of £184,500.

Upkeep of Permanent Way and Rolling Stock.—It was decided, during an early stage of the war, either to reduce or withhold the pre-war contributions to the renewals fund, and, accordingly, in the year 1915–16 the amount of the contribution was reduced, but the reduction was not continued during subsequent years. The estimated position of the renewals fund on 31st March, 1918, was as follows:—

	£
Credit Balance	5,354,137
Contribution to the Renewals fund by the Railways Administration for the year 1918–19	1,666,000
Total	7,020,137
Expenditure, 1918–19	1,147,000
	5,873,137
Commitments to 31st March, 1919	5,666,000
Balance	207,137

Further commitments will be necessary during the year 1919–20, and the balance of £207,137 will be carried forward pending developments. This amount, however, will be increased by £1,474,167, which represents the amount of the contribution by the Railway Administration to the renewals fund for the year 1919–20.

Government Loans.—During the year 1918 an unlimited amount of 4½ per cent. local registered stock, redeemable 1929-39 and repayable at par on the 15th August, 1939 (unless the Government of the Union decide to redeem the stock at par on or after 15th March, 1929, on six months' notice being given) exempt from taxes on income, and an unlimited amount of 5 per cent. stock, redeemable under similar conditions but not exempt from taxes on income, was offered for subscription for the purpose of railway, harbour and other public works in the Union, war expenditure, and the repayment of advances from His Majesty's Government.

The list closed on the 31st December, 1918, when £1,000,000 had been subscribed of the 4½ per cent. stock and £5,000,000 of the 5 per cent. stock. Although this loan was for ten or twenty years as compared with five or twenty years for the previous issues, the measure of support from public subscriptions was disappointing. It must, however, be borne in mind that at the time the list was open, the banks in South Africa were offering 4½ per cent. for deposits fixed for eighteen months or longer.

In the two previous years loans, approximating to £15,000,000 bearing interest at 5 per cent. and redeemable 1921 to 1936 were issued at par. During 1916, the public subscribed £5,894,510. which was raised to £9,000,000 by a subscription of £3,105,490 from the Public Debt Commissioners. In 1917 the subscriptions amounted to £5,500,000, including £802,290 subscribed by the Public Debt Commissioners. In addition, £487,480 was raised for payment of Bewaarplaatsen.

As regards loans for the purpose of development, it is felt that, although capital may be available from outside, the requirements in Europe and America may, for some years, be such as to leave little surplus capital available for investment in the Self-Governing Dominions in new industrial enterprises. In that event South Africa may be called upon to finance its own

requirements, and should be able to do so. Should a policy of trade development within the Empire be adopted, with a view to utilising raw materials in the Dominions and providing greater manufacturing and commercial activities in the United Kingdom, outside capital may be made available to a limited extent.

Proposed Mint.—During the Parliamentary Session, 1918-19, the Minister of Finance introduced a Bill to obtain powers to establish a Government Mint and Refinery in South Africa.

The Union Government have been in communication with the Imperial Authorities, through the High Commissioner, on the subject, and arrangements will shortly be made for an expert to be sent to this country to advise upon the matter.

Banking.—During the war the demand for advances was very much greater than in the normal pre-war period and approximated to 65 per cent. of the deposits. Whilst the demand upon the banks and their resources increased, the funds at their disposal decreased to a certain extent, owing to the fact that payments for meat, hides and other South African produce, bought by the Imperial Government, America and Japan, were paid for in London. Consequently, the South African banks were obliged to make advances on shipments of South African produce, payment for which was made in London, with the result that a large amount of their funds were transferred from their South African to their London offices, and the opportunity of refunding the South African offices did not always present itself. In spite of this, however, the advances made by one bank alone since the commencement of the war represented an increase of £7,000,000 as compared with pre-war advances. During the war period the small reserves of gold in South Africa caused some enxiety owing to the difficulty of obtaining supplies of specie. In this connection, it must be borne in mind that every year about half a million sovereigns disappear, owing partly to the system of hoarding gold practised by the Indian population, which in Natal alone is equal to the number of white residents. It is not unlikely that, in the future, the demands made upon the banks will be greater than before.

According to the latest statements issued up to the 31st December, 1918, the total subscribed capital of the Banks in the Union was £10,515,900 and the total paid-up capital was £5,261,925. The reserve funds amounted to £3,158,650. Notes in circulation in the Union totalled £6,268,622 compared with £2,105,079 at the 30th June, 1914. The banks held Government deposits amounting to £3,495,576, Savings Bank deposits amounting to £1,569,982 and other deposits (fixed and floating) amounting to £58,318,572, making a total in all of £63,384,130 in deposits at the 31st December last compared with £33,305,186 at the 30th June, 1914. On the other hand, their advances were £48,501,919 at 31st December, 1918, compared with £31,170,279 at the 30th June, 1914.

An important extension to the banking interests of South Africa was the opening of an agency of the Standard Bank of South Africa at Rotterdam. The establishment of a branch of this bank in Holland will doubtless be of service in facilitating trade between that country and both the United Kingdom and South Africa.

The National Bank of South Africa are increasing their capital to four millions by the issue of one hundred shares of £10 each. It is understood that this issue is intended to provide for the requirements of a new industrial finance corporation, which has commenced operations under the control of the National Bank.

The latest complete clearing house returns during each month of the year 1918 will be found in Appendix D, at the end of this Report.

Agriculture.

General Conditions.—The future prosperity of South Africa is dependent upon the development of agriculture and the natural resources of the country. The acreage under cultivation has increased enormously of late and the high remunerative prices now ruling for practically all the products of the soil have had a stimulating effect upon recent development.

South African farmers are enjoying a great measure of prosperity and their spending power has been much increased by the war. It is estimated that their profits during the last two years are not far short of £10,000,000 per annum more than during the two years before the war. This phenomenal increase is due, almost entirely, to the high prices for produce. It is stated, however, that farmers have also benefited from the increasing activities of the co-operative movement, not only amongst individuals, but also amongst organised and long established groups.

There are, however, large tracts of uncultivated land, or land only partially cultivated, that are capable of closer settlement and the hope for the immediate future is that small capitalists and others will be attracted to South Africa by conditions which may be more favourable than those that obtain in Europe. South Africa, in common with other parts of the British Empire, has sustained an unavoidable loss by reason of the prolonged absence on active service of many young progressive farmers and farmers' sons as well as of young men, who, in normal conditions, would probably have been engaged in farming or preparing to become farmers. The loss is the more acute by reason of the scanty white population engaged in agriculture in this country. It is believed, however, that now hostilities have terminated many young men, who before the war were engaged in sedentary occupations, will wish to continue their outdoor life and to settle on the land. Provided that settlers are given the necessary encouragement by the Imperial and South African Governments there will be a good prospect of considerable development in agriculture within a few years.

A larger white population will also be the chief factor in developing the import, as well as the export, trade of South Africa. It is obvious that the closer settlement and more extensive cultivation of the land will increase the importations of materials for the erection of buildings, fences, windmills, irrigation works and other permanent improvements, as well as supplies of agricultural implements and machinery for cultivating the land and fertilizers for enriching it. It is probable, too, that the trade in pure-bred livestock for improving South African flocks and herds will be increased.

Owing to the unusually high prices of agricultural supplies, the quantity imported during the war was reduced from the pre-war level, with the result that many important developments had to be postponed which, with the scarcity and dearness of fertilizers, reacted hardly upon production. But, with the exception of imported seed potatoes (which South African farmers have learnt to dispense with during the period of war) and arsenic for cattle and sheep dips, South Africa will continue to rely mainly on imported articles.

The improvement in the farming of woolled sheep, which was noticeable during the years immediately preceding the war, has continued during the last few years, and the high prices prevailing for wool and mutton have been of the greatest assistance to this forward movement.

During recent years, dairy farming in this country has been attended with conspicuous success. As recently as 1915, South Africa imported butter to the value of £121,994 and cheese to the value of £155,466. But during the year 1917, the value of the imports of these commodities was reduced to £2,151 and £29,167, respectively. In the same year, South Africa exported butter to the value of £196,020 and cheese to the value of £5,539. In 1918 the exports of South African butter were valued at £96,756, and although the imports amounted to £167,227 they were practically all re-exported. A larger development in the export trade in these articles was anticipated, but the drought at the close of 1918 had an adverse effect on the supplies available for export.

The prospects of an export trade in poultry are highly favourable, and the exportation of South African eggs will probably show considerable expansion in the near future. Shipments of eggs from this country are likely to find a good market, as they would reach European ports during the last three months of the year, when there is a curtailment of local supplies.

The formation, in January, 1918, of the Co-operative Wine Farmers' Association has played a prominent part in placing the wine industry on a sound footing. A minimum price was fixed, below which no wine could be sold, *viz.*:—£4 15*s.* 0*d.* per gallon for distilling must, and £5 5*s.* 0*d.* for sound distilling wine.

A gratifying feature of recent years has been the expansion in the growth of cotton in the Transvaal and Natal. The Rustenburg Co-operative Society has been very active in endeavouring to interest the farmers of that district in cotton growing, and the Society is contemplating the erection of a cotton-seed oil press

in Rustenburg. At present the seed is being crushed in its entirety and sold as cotton-seed meal, instead of which, the oil should be extracted from the seed and the residue used as cattle food. The exportation of raw cotton in 1918 amounted to 183,228 lbs., valued at £11,799. Exports in 1917 amounted in value to £3,947, and in the last complete calendar year before the war to £811.

An Act to make provision for the sale of flour, with a view to the better conservation of the stocks of wheat in the Union, came into force during the year 1918, but was withdrawn on January 31st, 1919. During the time the Act was in force, the consumption of maize in the Union increased very considerably owing to the fact that, under the Act, 17 per cent. of maize or other grain flour had to be mixed with wheat flour.

Grain Elevators.—The report of the Committee appointed to inquire into, and report upon, the desirability or otherwise of establishing grain elevators in South Africa was published in July, 1918. From evidence submitted it was assumed, confidently, that an enormous saving would be effected by constructing grain elevators. The Committee, therefore, recommended that elevators of the following capacities should be erected at the undermentioned places:—

Towns.	Storage capacity in bags.
Durban ...	... 300,000
East London ...	... 200,000
Cape Town ...	... 200,000

making a total of 700,000 bags at £7 per ton storage capacity. The Committee also recommended that elevators should be erected at various country places, with a total storage capacity of bags of 1,165,000 at £4 per ton storage capacity. It is hoped that the elevators will be available for the 1920 crop, and active steps are being taken to arrange for their early construction.

Irrigation.—The shortage of rivers in South Africa and the frequent droughts are a source of grave anxiety to farmers and others interested in the land. Active steps are, however, being taken to provide greater irrigation facilities, among which may be mentioned the Modder River Irrigation Scheme, which is the first large scheme to come into being as a direct consequence of the Irrigation Laws. Already large tracts of virgin soil have been rendered highly productive.

Timber Resources.—During the war period, there has been an unprecedented demand for South African timber. The annual report of the Forest Department for the year ended 31st March, 1917, estimates that 250,000 to 300,000 acres at least would have to be put under trees to meet the country's requirements. Were the present rate of progression not increased, a century would have to elapse before that object could be achieved. There would appear, therefore, to be a very great scope for development in local production.

At the present time local match factories are running entirely on South African grown material, and numerous box factories have been established in various places throughout the country. It is estimated that the quantity of South African timber used on the Witwatersrand alone approximates to 250,000 tons per annum.

This demand for local timber has illustrated the practical value of tree-planting and has encouraged the planting of trees by farmers and landowners. Progress in this direction has been particularly marked in Natal, though it is probable that more trees are planted in the Transvaal than in any other province in the Union.

MINING.

Total Output.—The mineral output for the year 1918 was as follows:—

	£
Gold	35,758,316
Diamonds	6,961,062
Coal	3,247,668
Copper Ore and Concentrates ...	358,627
Tin Concentrates and Metallic ...	447,952
Other Minerals	445,908
Total all Minerals	47,219,533

The balance of £445,908 was represented by the following minerals:—

Arsenic	Magnesite
Silver	Mica
Corundum	Talc
Graphite	Tungsten
Iron Pyrites and Ore	Flint
Lead Ore	Salt
Manganese	Lime
Soda	Gypsum
Asbestos	Nickel Ore
Antimony	Zinc
Kaolin	

Stores.—In order to show the large quantity of various articles consumed by the mines it may be mentioned that during the year 1918 no less than £15,267,870 was spent on mining material. The official table, prepared by the Mines Department, of Stores consumed by the mines of the Union of South Africa during the year 1918 will be found in Appendix E, at the end of this Report, and, in Appendix F, appears a statement of the total expenditure on mining stores during the same year, compared with the previous seven years.

Gold.—During the year 1918 the gold mining industry was faced with many problems of great importance and extreme difficulty. Almost from the beginning of the war the industry suffered severely through its inability to pass on the higher cost of production to the purchaser, owing to the value of gold being a standard one. Consequently, the enormous increase in the working costs of the gold mines placed a heavy burden on them, more especially in the case of the lower grade mines.

With the continuance of the war the position of some of the mines became so serious that during 1918 a Select Committee of the House of Assembly was appointed to investigate the matter and ascertain what, if any, remedial action could be applied. With the object of maintaining gold mining operations on the 1917 level, the Transvaal Chamber of Mines recommended to the Select Committee that six of the low-grade mines should close down until after the war, provided that they were subsidised to the extent of the necessary standing charges, such as pumping expenses, allowances granted to employees on active service, claim licences, &c. The proposal was also made that the Government Mining Engineer should select those mines which were to be permitted to close down.

In order to realize the significance of the closing down of these mines it may be mentioned that during the quarter, September to November, 1917, fourteen mines showing the lowest profit employed 5,896 white persons and 48,027 natives and produced £576,403 worth of gold per month. These mines pay about £3,700,000 annually in wages and salaries, and consume about £2,800,000 worth of stores.

Among other remedial measures suggested were (1) the granting of subsidies; (2) the raising of funds required by Government loans of the nature of a preferment mortgage; and (3) the remission of taxation. So far none of these suggestions has been adopted.

But the difficulties arising from higher cost of working charges were not the only troubles with which the gold mining industry was confronted. During the year 1918 labour unrest threatened to paralyse the various industrial activities on the Witwatersrand. It was thought at one time that the demands for higher wages would result in a general strike on the mines, but the public-spirited manner in which the dispute was dealt with eventually, by all parties concerned, adjusted a situation which might have developed into a serious crisis. In spite of the adverse circumstances, the output of gold from January, 1918, to December, 1918, was as follows:—

Months.	Fine Gold.	Value.
	Ozs.	£
January	717,185·723	3,046,410
February	660,210·334	2,804,396
March	694,704·254	2,950,914
April	716,587·664	3,043,870
May	739,840·068	3,142,642
June	728,225·312	3,093,305
July	738,326·627	3,136,213
August	738,778·964	3,138,134
September	708,012·368	3,007,445
October	683,426·102	2,903,011
November...	649,967·972	2,760,889
December	642,952·041	2,731,087
Total	8,418,217·429	35,758,316

In common with most other fields of enterprise, the mines were affected by the epidemic known as "Spanish Influenza," and as a consequence the output of gold from the Transvaal mines was lessened during the last three months of the year.

The prospects of important developments on the Far East Rand, in the near future, are full of significance to the gold mining industry of South Africa. The opinion has been expressed, in well-informed circles, that the possibility of the town of Benoni rising to a position of prominence, second if not equal to that of Johannesburg, is by no means remote.

With regard to the question of supplies of mining material, the mines are holding larger stocks than during the pre-war period, but the stocks held by mining material merchants are considerably depleted. The establishment of a Central Buying Department for the mines in the Transvaal was instrumental in effecting considerable saving in the amount of material consumed, and since the inception of this department a number of items of mining stores have been standardised. Those completed for which standards have been issued include—

Battery Shoes.
,, Dies.
,, Heads.
,, Stems.
,, Cam Shafts.
,, Tappets.
,, Screening, medium, fine and coarse.
Electric Lamps (metallic filaments).
Grizzley Bars.
Skip Wheels.
Screwed Piping (water and steam).
Rails.
Blanton Wedge.

The items completed and now in print are as follows—

Battery Cams.
,, Keys and Gibs.
,, Blanton Wedge.

The following items are under consideration—

Truck Wheels and Axles.
Fishplates and Bolts for rails.
Piping.
Conveyor Belts.
Filter Cloths.
Pulley Centres.
Conveyor Idlers.

Diamonds.—The exports of diamonds in 1918 were represented by 2,571,646 carats, valued at £7,063,043, as compared with the exports in 1913 of 5,503,861 carats, valued at £12,016,525. The price of diamonds has risen very considerably and is, at the present time, about 50 per cent. higher than the pre-war price.

It was assumed that during the war the demand for diamonds, being articles of luxury, would practically cease, but contrary

to expectations a large demand for the stones sprang up in America owing to the exceptional prosperity enjoyed in that country.

The policy followed by the companies, of regulating the output of the mines to meet the actual market requirements, has been most beneficial in increasing confidence in the stability of the trade by assuring a uniform policy of restriction of production by all the large mines when rendered necessary for the maintenance of prices.

The outbreak of influenza in 1918 played fearful havoc with the population of Kimberley, and a large number of both white and native employees of the De Beers' Consolidated Mines, Ltd., died from effects of the epidemic.

For the purposes of revenue the export duty on diamonds has been raised from 5 to 10 per cent. *ad val.*, and this duty will also apply to alluvial diamonds which have hitherto been exempt. It is estimated that the yield from this source will approximate to £420,000, but it remains to be seen to what extent, if any, the diamond mining industry will be adversely affected by the additional taxation.

During the war the stocks of mining supplies held by the De Beers' Mines have, with certain exceptions, been on a level with the pre-war quantity. The policy of the Company is to obtain their requirements, as far as possible, from local sources, but failing their ability to do so practically all orders for mining material are placed in the United Kingdom.

Coal.—During the year 1918 there was a decrease of 1,070,804 tons of 2,000 lbs. in the actual production of marketable coal as compared with the quantity produced during the previous year. The comparative figures are as follows:—

Provinces.	Tons of 2,000 lbs.	
	1917.	1918.
Transvaal	6,936,418	6,438,141
Cape	11,510	4,654
Orange Free State	897,654	826,577
Natal	3,103,604	2,609,010
Total	10,949,186	9,878,382

Although the progress of the large export trade, which was being built up, has unfortunately been retarded by the shortage of freight space, the exports during 1918 were greater than in 1913 and more than double the exports of 1917, as is shown from the following comparative figures:—

	Tons of 2,000 lbs.	£
1913	856,031	337,457
1917	538,679	320,801
1918	1,208,386	1,033,064

The quantity of bunker coal supplied in 1917 amounted to 2,347,435 tons of 2,000 lbs. which constituted a record. In 1918, the supplies were reduced to 1,276,333 tons, which compares with 1,451,751 tons in 1913.

In previous years, the shortage of railway trucks retarded the development of the bunkering business, but a recent arrangement made with the Natal Coal Owners for the pooling of trucks, is calculated to assist in overcoming the difficulty.

Rich deposits of coal have been found in the high veldt area of the Transvaal, the northern portion of the Orange Free State and the Dundee and Vryheid Districts of Natal, but the coal-bearing possibilities of South Africa, as a whole, have yet to be estimated. It is believed, however, that the coal areas awaiting exploration are considerable.

Coal of uniformly good quality is found in the mines in the high veldt areas of the Transvaal, the principal of which are at Witbank, but new mines are opening up to the east of the Witwatersrand and in the Ermelo District, and the prospects of these new properties are highly favourable. Coal is also mined in the north of Zoutpansberg, but on a comparatively small scale.

The coal mining industry of the Cape Province is carried on in a small way in the divisions of Molteno, Wodehouse and Engcobo, situated about 50 miles south of Aliwal North.

The coal mines of the Orange Free State lie towards the northern boundary of the Heilbron District as well as in the northern and north-western portions of the Kroonstad District.

The largest coal producing area in Natal is in the Klip River county and extends 40 miles north-west and 30 miles south-west of the town of Dundee. Coal of high quality is also found in the Vryheid District and other coal fields exist at Utrecht.

Recent analyses of South African coal show that the average steam-raising value of the best grade Transvaal (Witbank) coal is 12·78 lbs. of steam per 1 lb. of coal, and the best grade Natal coal 13·95 lbs. This coal is being increasingly used by the largest vessels trading between Europe and Australasia via South Africa, and whereas Welsh coal was formerly exported to Cape Town for bunkering purposes, it has been entirely replaced by Witbank coal. From Durban and Delagoa Bay large quantities of Natal and Transvaal coal respectively are exported to various parts of the world which have hitherto drawn their coal supplies from other sources.

The potentialities of the coal industry of the Union of South Africa are immense, but large additions to the existing railway facilities are urgently needed, so as to enable both the bunkering and the export trade to develop further as well as to supply the increasingly large inland demand.

Industrial Development.

During the war the development in local production has been on a large scale. The gold and diamond industries continue to be the two chief individual industries in the Union of South Africa, but their predominance over other industries has been considerably lessened during the last few years.

Census of Production.—The first census of production of the factories and productive industries in the Union was taken in 1917, for the year 1915-16, and the report was published during the year 1918. Late in 1918 the second census of production for the year 1916-17 was published. These reports showed that the value of manufacturing production (including repair work in the Union of South Africa), as indicated by the aggregate of the individual returns, was £40,434,882 in 1915–16 and £49,457,414 in 1916–17, an increase in value in one year of no less than £9,022,532. The distribution among the various Provinces was as follows:—

Province.	1915-16.	1916-17.
	£	£
Cape of Good Hope	14,616,427	18,042,980
Natal	9,665,505	11,284,394
Transvaal	14,266,643	17,638,888
Orange Free State	1,886,307	2,491,152
Total	40,434,882	49,457,414

The total estimated value of production in the Union for 1917, including agricultural and pastoral pursuits and the mining industry, amounted to £138,717,604, which was made up as follows:—

	£
Mining	52,260,190
Industries	49,457,414
Agricultural (estimated)	47,000,000
Total	148,717,604

The number of firms who contributed to the census returns in the two years 1915–16 and 1916–17, was 3,908 and 5,305 respectively, representing a total capital of £46,532,750 for the first year and £51,106,967 for the second year. The number of white employees was 39,524 and 46,100, and of the coloured employees 61,654 and 77,742, respectively. The total amount of wages paid was £8,912,857 for 1915–16 and for the following year £10,436,694.

Local Industries.—These figures point to the conclusion that South Africa is becoming increasingly capable of producing many articles which were formerly imported from overseas countries. Quite recently all the tin ore produced in the Union was exported in its raw state, and the Union's requirements of bar, block and ingot tin were imported. Smelting is now being performed locally, and practically all the requirements of the Union for bar, block and ingot are being fulfilled from a local source.

Oxide of antimony has been absorbed locally for the manufacture of paints. Paints and varnishes to the value of £24,634 were produced locally in the year 1915–16 and to the value of

£46,421 during 1916–17. It is estimated that the South African market for paints and distempers approximates in point of value to £250,000 a year.

The production of chemicals increased in value from £119,000 in the year 1911, to £171,040 in 1915–16 and to £234,494 in 1916–17.

The chief chemicals produced in the Union are:—Acids (sulphuric, nitric, hydrochloric, carbonic), alcohol, ammonia, argol, arsenic, bi-sulphate of soda, bleaching powder, chloride of lime, disinfectants, epsom and glauber salts, glycerine, saccharine, sodas, starch and starch flour, nitrate of lead.

A gun cotton explosive, manufactured in Natal, which is known as "Sengite," is a production to which considerable attention has been devoted. It is possible that this article will become a permanent explosive, but the permanency or otherwise depends on future relative prices of glycerine and cotton. At any rate, during the period of the war, it can claim to have lessened the demand for glycerine and to have provided against the possibilities of a serious shortage of that article.

Manufactured foods and beverages to the value of £15,814,270 were produced during the year 1915–16 and to the value of £19,412,014 during 1916-17. Reliable figures are not available for previous years, but it is known that the manufacture of cereal by-products, cheese, butter, biscuits and confectionery, sauces, pickles and jams has been greatly increased. Progress has also been made in the curing of ham and bacon.

A local company is now engaged in the manufacture of rubber goods. This company is undertaking the manufacture of about 500 different articles, including washers, rings, valves, cord motor tyres, tubes, hose pipe, conveyor belting, mats, corks, etc.

Local production under the heading of furniture, bedding and upholstery was valued at £311,472 in 1911, at £552,829 in 1915-16 and £831,297 in 1916-17. The recent expansion of this branch of industry has been very marked.

The present demand for cement in the Union is in excess of the local supply, but the ability to produce greater quantities is receiving considerable attention.

The iron industry of Pretoria and Vereeniging can claim to have passed its experimental stages, and pig iron of good quality is now being produced. Until recently, however, local factories were entirely dependent upon scrap material for their manufactures, and the production of good pig iron is the first, and most important, step towards the establishment of a South African iron and steel industry.

Steel shoes and dies for the mine batteries are being produced in Johannesburg, and the Union of South Africa Steel Corporation of Vereeniging is producing rails, bars, angles, skip wheels, locomotive wheels, cast steel pistons, nuts and bolts, steel castings, etc. and shortly will be turning out shoes and dies. At the Dunswart works, bars, angles and steel bars for tube mill linings are being produced. White metal is being manufactured locally, and it is stated that the whole of the Union's requirements of white metal, babbit metal, linotype, etc. can be met by local production. A lead rolling plant is about to be started and it

is expected that this plant will supply the Union's requirements of sheet lead. Ploughs, shears and spare parts of agricultural machinery are being turned out to a small extent.

The demand for fertilisers is becoming increasingly felt in South Africa, but although considerable deposits of phosphatic rock exist at Saldanha Bay, the progress in this direction has not been very rapid owing to the difficulty of converting the insoluble iron and alumina phosphate into a form available for fertilising purposes. No doubt fertilisers will be manufactured to a much larger extent in the near future, but the importation of a considerable quantity of ingredients will be necessary for some time to come.

The boot and shoe industry has benefited to an enormous extent from the embargo on imported goods, and the restrictions against the importation of second-hand footwear have further assisted local industry. Quite recently welting machinery was introduced into South Africa, and this will mark an important step in the ability of South Africa to produce higher class boots instead of devoting the greater part of her energy to the production of veldschoens and mining boots.

There are at present 19 tanneries in the Union, producing between £600,000 to £700,000 worth of leather annually, nearly all of which is made up into footwear, saddlery and harness for local consumption. Practically all South African material is used, the hides and skins being valued at £300,000 to £400,000 and the wattle bark for tanning at £25,000 to £30,000.

There are 8 principal industries in the Union whose annual production in 1915-6, in each case, exceeds one million pounds sterling and in some cases runs into several millions, namely:—

	£
Engineering (including railway workshops)	7,000,000
Flour Mills	5,600,000
Sugar	3,065,000
Electric Light and Power	2,500,000
Explosives and Matches	1,884,000
Printing	1,328,000
Breweries	1,161,000
Tobacco	1,050,000

Following these, in order, are:—

	£
Soap	882,000
Candles	626,000
Coach and Wagon Building	597,000
Butter	558,000
Furniture and Upholstery	552,000
Boots and Shoes	503,000
Tanning	475,000
Distilleries	382,000
Oil and Grease	272,000
Cement	270,000
Harness and Saddlery	260,000
Fertilisers	170,000

Among the new industries which have been initiated are those which concern the production of the following articles:—

Calcium Carbide.
Chloride of Lime.
Iron Smelting.
Alcohol Motor Fuel.
Wattle Bark Extract.
Toys.
Sauces and Condiments.
Starch.
Meat Canning.
Chicory.
Glue and Size.
Tinning of Iron Plates.
Disinfectants and Dips.
Concrete Pipes.
Glass Bottles.
Shoe and Floor Polishes.
Steel Shoes and Dies.
Rope and Twine Works.
Condensed Milk.
Sulphate of Ammonia.
Paints and Distempers from local materials.
Raw Wax from By-products of Sugar Cane.
Lead Shot and Pellets.
Antimony Smelting.
Arsenic.
Asbestos.

The local production of wire rope dressing has materially increased during the war and the common antifriction greases are now being exclusively manufactured locally. Before the war not more than 10 per cent. was produced in South Africa.

Manilla ropes are being manufactured partly from imported raw material and partly from raw material produced in the country.

The impetus given to local industries arose from the necessity to produce articles in South Africa, the importation of which was restricted, or entirely discontinued, during the period of hostilities. The unusual and unexpected form of protection due to war restrictions has encouraged the commencement of industries in South Africa, which, under normal conditions would have been accompanied by grave risk.

Every effort will be made to protect local industries and towards the close of 1918, Mr. F. S. Malan, the then Acting Prime Minister, stated at a public gathering that an Advisory Committee had been instructed to draft a tariff of customs duties which would enable South African industries to keep their heads above water and prevent the country from becoming a dumping ground of other countries. In the past, the customs tariff has been framed mainly with an eye to revenue. To a certain extent the question of revenue will always be borne in mind, but, in the future, the maintenance of South African industries will be kept in view. It is believed that many of the industries which

have been established since the war will continue to produce satisfactorily afterwards, but there are a number of industries which cannot hope to compete with imported articles even when bolstered up by a high tariff against competitive articles from overseas.

Advisory Board of Industry and Science.—The Department of Mines and Industries of the Union of South Africa is doing everything in its power to encourage local production.

Towards the close of 1918 the two Committees which the war had called into existence for the purpose of dealing with the scientific aspect of industrial problems, the Scientific and Technical Committee and the Industries Advisory Board, were merged into a single body known as the Advisory Board of Industry and Science. The formation of this Board is of the highest importance to the future welfare of local industries, as it is now realised throughout the world that the aid of science is increasingly necessary in connection with every form of industry.

Branch Factories.—The chief obstacles to industrial expansion in this country are the difficulty of attracting skilled labour and the lack of experience on the part of the local manufacturer. Taking these two questions together, it would seem advisable for manufacturers in the United Kingdom to consider carefully how far it is possible for them to establish branch industries in South Africa. There are many manufacturers in the United Kingdom who would experience no great difficulty in establishing a " child " factory in this country which would commence operations with the knowledge and support derived from the " parent " factory overseas. Apart from the individual benefit to United Kingdom manufacturers from such an arrangement and the value of such an action to the Union of South Africa, the establishment of branch factories would assist to strengthen the community of interest between the two countries and would lead to a better understanding of the requirements of the Union. It is probable, too, that skilled labour in the United Kingdom would be more attracted to a branch of the works with which they have been associated for many years, than to a manufacturing firm in South Africa in no way connected with a concern overseas.

Second Convention of Industrialists.—The Second Convention of the South African Federated Chamber of Industries was held in Johannesburg in June, 1918, and the meetings were well attended by representatives of the various manufacturers' associations in the Uuion.

Many subjects relating to the further development of South African industries were discussed and, among other things, it was resolved to urge the Union Government—

1. To take steps to provide facilities for the establishment of an Industrial Bank in South Africa either with or without the co-operation of existing banking institutions.

2. To give immediate attention to the revision of the Customs Tariff and to provide for adequate protection for existing and new industries, viz:—

   To admit, free of duty, all raw materials required for local manufacturing purposes;

   To grant a rebate in favour of the products and manufactures of the British Empire;

   To adopt the principle of Customs preference to our Allies, provided they reciprocate;

   To introduce a special tariff against the products and manufactures of present enemy countries on such a scale, and for such a period, as may be agreed upon at a conference between the Imperial and Dominion Governments;

   To provide for an effective dumping clause, on the lines of the Canadian Tariff, to replace existing clauses in the Customs Act which is so framed as to make its application permissive instead of obligatory.

3. To afford facilities for technical education, in order to permit the growing population in South Africa to embark in industrial pursuits.

Authority was given to the Executive Council of the Association to arrange for an industrial exhibition, to be held in Johannesburg at the conclusion of hostilities.

Exposition of South African Products and Manufactures.—In connection with the official Peace Celebrations, arrangements are being made to hold a National Exposition of South African Products and Manufactures in Pretoria during the months of March and April, 1920. Provision will be made for overseas exhibits of motor traction for various purposes, and a special hall will be erected for the exhibition of highly specialised machinery, including agricultural, manufacturing and labour saving machinery, suitable to South African requirements. It is also proposed to arrange for the display of British Admiralty models of sea and air craft and trophies of war captured from the enemy. The Exposition is estimated to cost £100,000, a large portion of which will be contributed by the Union Government, the Provincial Councils and municipal and commercial bodies. Every effort will be made to make the exposition as attractive as possible, and special housing accommodation and railway facilities will be provided. The co-operation of British manufacturers is invited.

Shipping.

General Shipping Position.—The shipping position, in general, is in such a fluid state as to render a wide survey impracticable. Large accumulations of South African produce are still lying at the ports awaiting shipment, but as steamers are now arriving with returned soldiers it is probable that a great portion of the return cargo offering will be soon removed. The Conference Lines are doing their utmost to restore normal conditions, and have recently concluded an agreement with the South African Trade Association in regard to the conveyance of general cargo from Europe to South Africa.

United States.—Prior to the outbreak of hostilities, the Shipping Conference Lines loading from New York to South Africa consisted of the Union Castle Mail S.S. Co., Ltd., Ellerman & Bucknall S.S. Co., Ltd., Clan Line, Prince Line, R. P. Houston & Co. and the German Hansa Line. These lines maintained regular sailings to all the South African and East African ports between and including the ports of Cape Town and Beira and proceeded at long intervals to Zanzibar and the Island of Madagascar. Many of these steamers loaded back to the United States ports with general produce from the South African ports, and with chrome ore from Beira. At the outbreak of war, the Hansa Line ceased running, and, as the shipping requirements of the British Government increased and more tonnage was absorbed for Government purposes, the Conference Lines were compelled to reduce their sailings. About the time that the shortage of available tonnage for loading by the Conferences Lines began to make itself felt, a new line—called the Globe Line—was started by Messrs. Gaston Williams & Wigmore, Inc., of New York, in conjunction with certain American motor car manufacturers. But, as the owners were primarily a Canadian house and their fleet registered under the British flag, the steamers were requisitioned, and the service was discontinued after the first sailing. As large quantities of goods were awaiting shipment, for which steam tonnage was not obtainable, one of the large commission houses chartered several sailing vessels for the voyage. They did not, however, continue this course, as almost immediately afterwards the following lines of sailing vessels entered the trade, viz.:—

Stewart Sanders & Co., Inc., New York.
France & Canada S.S. Corporation, New York.
American Union Line, Inc., New York.
South American S.S. Corporation, New York.

Since then, the United States trade with South Africa has been carried on, to a large extent, by sailing vessels, though, shortly after the signing of the armistice, the Conference Lines were able to place additional steamers on the berth. American steamers are, however, at present loading for South Africa and others are in early prospect. The import restrictions imposed by the United States Government caused a diminution in the South African exports to that country. Consequently, a number of sailing vessels which were under agreement to return to the United States were unable to obtain return cargoes for North Atlantic ports, which resulted in a number of them accepting coal cargoes for the Argentine at comparatively low rates. The uncertainty of the state of trade caused a number of merchants to cancel their outstanding indents, with a resultant reduction in the amount of cargo offering from New York to South African ports.

Japan.—Owing to the war the mail steamers of the Nippon Yusen Kaisha were diverted from the Suez Canal to the Cape route. In the pre-war period there had been occasional direct sailings from Japan to South African ports by the Indian-African Line (Messrs. Andrew Weir & Co.), but a large pro-

portion of the trade was done by transhipment viâ Calcutta and Colombo into the steamers of the Andrew Weir and Bullard King lines. Following upon the establishment of direct steamship communications between Japan and South Africa, the representatives of a number of Japanese manufacturers visited South Africa and secured a considerable amount of business; while Japanese buyers secured large quantities of South African wool and other produce. The Osaka Shosen Kaisha established a line of steamers between Japan and South America, calling at South Africa on the outward and inward voyages to discharge or load cargo. Shortly afterwards, the Nippon Yusen Kaisha started a similar service in competition, but it is understood that a working arrangement between the two lines has now been made. Owing to the scarcity of shipping facilities from Brazil, Japanese steamers have been bringing shipments of coffee from Rio to South Africa by arrangement with the British steamship line which conducted the trade before the war. When the Suez Canal route became safe for traffic the main line steamers of the Nippon Yusen Kaisha deserted the Cape route. Some intermediate vessels still make use of this route, and the South American service viâ South Africa is being maintained. The demand for cargo space from Japan to South Africa has fallen off very considerably. On the other hand, freight is in demand from South Africa to Japan for the shipment of wool purchased by the Japanese, of which a large quantity awaits shipment at Algoa Bay and East London. The accumulation at these ports of Japanese shipments is due to labour disturbances in South America, which have delayed the despatch from that country of Japanese steamers which call at the South African ports for cargo before proceeding to Japan.

Holland.—The Dutch Lines trading to the Netherlands East Indies also abandoned the Suez Canal route in favour of that viâ the Cape, and for some time the steamers of the Rotterdamsche Lloyd and "Nederland" Companies made frequent calls at South African ports which resulted in a small amount of direct trade from South Africa to Holland and Java. During the last few months some of the steamers from Java to the United States of America have called at South African ports for coal, and one steamer recently loaded a cargo of maize for Rotterdam.

East Africa.—At the outbreak of war the German East African Line, which had the bulk of the East African trade, withdrew their steamers. Owing to the heavy demand for shipping space to remove the oil products of Portuguese East Africa (which had previously been shipped principally to Marseilles by the steamers of the German East African Line) a Norwegian shipping company, Messrs. Thor Thoresen, Junior, Ltd., established itself in East Africa with headquarters at Beira, and by means of a service of small coasting vessels and larger main line steamers succeeded in maintaining the East African trade and in arranging communication between East Africa and the islands of Madagascar and Mauritius. A few charters of

Neutral vessels are reported, at very high rates, from the East African Coast ports to Marseilles. Whilst the Conference Lines have been unable to arrange for the provision of the necessary tonnage for shipments from East African Ports to the Continent, they have, by means of tonnage supplied by the Ministry of Shipping, removed very substantial quantities of produce from British and former German East Africa to the United Kingdom. In addition, army transports which would otherwise have returned from East Coast ports to Durban, with vacant space, have loaded a certain quantity of East African produce, principally cloves from Zanzibar, for transhipment at Natal to the United States.

Europe.—The regular sailings between South Africa and the United Kingdom, and between South Africa and the Continent, have not yet been resumed, and there is still a large accumulation of produce awaiting shipment at South African ports. So far as inward cargoes are concerned, the opportunities for shipment appear to be more than adequate, as steamers have been arriving with space to spare, while vessels now due are actually empty and ballasted for the voyage. It is possible, however, that labour disturbances have prevented cargo from coming forward for shipment from Europe. A brisk demand has arisen for the transportation of wool to French ports and fixtures of sailing vessels to Havre are reported; but the rates show a considerable falling off as compared with previous sailer business. Considerable shipping tonnage is being provided by the Ministry of Shipping, at the request of the Imperial Wheat Commission, for the ocean carriage of maize purchased under contract.

Australia.—Before the war, the Australian and African Line maintained a regular monthly service of steamers from Australia to South Africa; and if inducement offered, these steamers loaded back to Australia, otherwise they were distributed over other trades. Immediately following upon the outbreak of hostilities it was found impossible to continue the monthly service, owing to a large amount of tonnage having been requisitioned by the Government. A steamer was, however, kept in the trade which ran backwards and forwards between South Africa and Australia, providing an approximate three-monthly service each way. As the steamers are released from Government control the service will gradually revert to its pre-war regularity. There has been an active movement of tonnage from various parts of the world to Australia, to lift the wheat crop, and many of these steamers have called at Cape Town and Durban on their way to Australia for bunkers. For some time the transports repatriating Australian troops were diverted from the South African route and sent viâ the Panama Canal, but with the elimination of danger in ocean transit following upon the signing of the armistice, these steamers resumed the Cape route.

Coasting.—Owing to the falling off in the import tonnage and the consequent reduction of shipping facilities for the con-

veyance of coast-wise cargo, the port to port rates for the carriage of goods by rail, which were instituted by the South African railways many years ago in competition with the steamship lines, were more freely used, with the result that a large amount of coast-wise traffic was conveyed by rail instead of by ocean transit. The railways also arranged special rates to points in the South-West Protectorate so as to compete with sea-borne traffic. Whilst these rates are of service to the community during a time when coastal tonnage is restricted, their retention would be detrimental to shipping interests, and the immediate effect of these railway rates has been to make freight rates on the South African coast proportionately lower than they would otherwise be in the open market.

Coaling.—The demand for bunker coal, particularly at Cape Town, has shown a great diminution. Large quantities of coal have, however, been shipped both at Durban and at Delagoa Bay on Admiralty and private account for bunkering purposes at Suez, Aden, Perim and Colombo. South African coal has established itself at these ports and, provided tonnage is available, South Africa should be able to retain these markets.

Railways and Harbours.

Railways.—Every new line for which authority has been given by Parliament has been constructed, and the total mileage owned and leased and open on December 31st, 1918, was 9,542 miles. The tonnage of goods and minerals, other than coal, carried over the lines of the South African railways was 6,720,244 tons during the year 1918.

There was a heavy decline in the coal traffic, owing to the falling off in the bunkering trade, to the diversion of shipping to the Northern Hemisphere during the later stage of the war, and to the falling off in military requirements in German East Africa and other directions. The decrease in bunkering traffic was, however, offset by a heavy increase in the export traffic and a general increase in internal coal traffic.

During the year no fewer than 49,968,482 passengers travelled over the line, which constitutes a record for any one year since the formation of the Union.

Having regard to the difficulty of replacing and repairing railway equipment, the Administration has been severely handicapped during the period of the war. Nevertheless, the working of the railways has been maintained in an efficient manner, and the inconvenience to the public has been reduced to a minimum.

As regards the condition of rolling stock, on January 25th, 1919, 27·33 per cent. of their engines were out of traffic; in December, 1917, 25 per cent.; and in December, 1915, 26 per cent. Out of a total of 1,592 effective engines, 435 were out of traffic. Repairs were hampered by shortage of staff and material. Two hundred and forty-seven new engines are on order, and negotiations are proceeding for placing still further orders. Fifteen per cent. of their coaching stock and 5¾ per cent. of their wagon stock are out of repair. Orders have been placed for 423 new coaches and vans and 3,997 trucks, and a fairly heavy

delivery of these articles is expected in the next few months. A very considerable number of these coaches and wagons will be erected and completed in South Africa.

Although the value of stocks of imported goods held by the Railway Administration in July 1918 was only £100,000 less in point of value than the stocks held in August 1914, allowance has to be made for the very large increase in the price of all classes of material. In fact, it is estimated that the stocks held by the Railway Administration at the close of 1918 were equivalent to about half the pre-war quantities.

For some time past the advisability of electrifying the more congested portions of the railway has been under consideration, and a prominent firm of consulting electrical engineers, who have examined the position, are now preparing a report thereon.

Active steps are being taken to arrange for the early construction of grain elevators at the South African Ports, as well as at certain points in the hinterland, which it is estimated will involve an expenditure of £906,000.

Harbours.—Important harbour developments are pending, including the construction of a large and up-to-date graving dock at Durban. Important improvements to the harbour at Cape Town will be made as soon as possible with the object of facilitating the berthing of ocean-going steamers.

Government Legislation.

The Acts passed by the Houses of Parliament of the Union of South Africa during the year 1918, include the following:—

Act No. 16.—To provide for the registration of dairy premises and the owners and occupiers thereof, for the marking of dairy produce and the registration of marks thereon and generally for the regulation of the dairy industry.

For the purpose of this Act "dairy produce" means milk, condensed milk, cream, butter and cheese and includes also margarine and all substitutes for butter made from vegetable or animal fats or a combination of vegetable and animal fats.

Act No. 17.—To make provision as to the sale of flour with a view to the better conservation of the stocks of wheat in the Union.

Under this Act, 17 per cent. of maize or other grain flour had to be mixed with wheat flour. By means of this provision the consumption of wheat in the Union was considerably reduced.

As this Act was a war measure it was withdrawn on January 31st, 1919.

Act No. 20.—To continue the operation of certain customs and excise duties and to amend further the tariff of customs and excise duties.

By means of this Act, increases of customs duties and excise duties which were imposed in 1915 and reimposed two years later, but which would have lapsed after the 30th day of June, 1918, were continued in force until the 30th June, 1919. The Act also provides for amendments and additions to the extent indicated in the following schedules:—

Schedule.

Part I.—Import Duties.

Class I.—Special Rates.

Tariff Item.	Article.	Amendment.	
		Duty.	Rebate.
43	Spices and Turmeric ...	Ground, 2¼*d.* per lb. ... Unground, ¼*d.* „ ...	¼*d.* per lb. ¼*d.* „

Class IV.—3 per cent. ad valorem.

Tariff Item.	Article.	Amendment or Addition.
90	Collodion Cotton, Glycerine other than crude and kieselguhr in bulk.	The addition of "Amatol."
112	Leather, patent enamelled, roan and morocco, pigskin in the piece ; not falling under Item 29, and valve hide.	112. Leather : patent enamelled, roan and morocco, pigskin in the piece and valve hide. 112 (*a*). Leather : imitation, leatherette including pegamoid, rexine and similar articles used for upholstering.
116	Meerschaum, amber and amberoid in the rough for making smokers' pipes.	The addition of "Pipe stems other than wooden and mouthpieces."
120	Paper : all paper in its original mill ream wrapper or reels, not less in size than 16 in. by 15 in., not including feint or ruled papers but including tissue papers.	Paper : all paper, including tissue paper in its original mill ream wrapper not less than 16 in. by 15 in. when imported in the flat, and paper in reels not less than 9 in. wide, but not including feint or ruled papers, blotting, wall, or sanitary papers.

Class V.—Free.

Tariff Item.	Article.	Amendment.
167	Dyes for manufacturing purposes and tanning substances for leather, including alum.	Dyes for manufacturing purposes and substances for bating, tanning, and finishing of leather, including alum.

General Note to Tariff.—The definition of adulterated leather is deleted and the following substituted:—

Leather other than roan, morocco, patent, enamelled and fancy leather, and valve hide, shall be deemed to be adulterated, weighted or loaded if it contains—

(1) when vegetable tanned
- (*a*) over two per cent. mineral ash;
- (*b*) over one per cent. glucose;
- (*c*) any barium or lead salt;
- (*d*) any magnesium sulphate.

(2) when mineral or combination tanned
- (*a*) over one and a half per cent. mineral ash other than tanning agent;
- (*b*) any glucose;
- (*c*) any barium or lead salt;
- (*d*) any magnesium sulphate.

Part II.—Excise Duties.

Description of spirits on which rebate allowed.	Conditions under which rebate allowed.	Amount of the rebate.

In lieu of the following (as set out in Part II. of the Schedule to Act No. 37 of 1916):—

"Plain spirits used in art or manufacture."	"Plain spirits used in any art or manufacture and rendered unpotable to the satisfaction of the Commissioner of Excise. Per proof gallon."	"The whole duty less two shillings."

there shall be substituted under the respective headings to the three columns specified above the following words:—

Plain spirits used in the manufacture of medicinal preparations, flavouring essences, &c.	(*a*) Plain spirits used in the manufacture of medicinal preparations, flavouring essences, vinegar, acetic acid, and perfumed spirits, approved of by the Commissioner of Excise. Per proof gallon.	The whole duty less two shillings.
Plain spirits used for industrial purposes.	(*b*) Plain spirits used for industrial purposes and rendered unpotable to the satisfaction of the Commissioner of Excise.	The whole duty.
Plain spirits used for scientific and teaching purposes.	(*c*) Plain spirits used by scientific or teaching institutions for burning, preserving or experimental purposes, under such safeguards as the Commissioner of Excise may impose.	The whole duty.

ACT No. 28.—To provide for the regulation of factories and for other purposes incidental thereto.

This Act provides, *inter alia*, for the appointment of Factory Inspectors and for the compulsory registration of Factories.

Power to withhold registration is given in cases where the premises are considered by the Inspector to be unsuitable for the work to be performed therein, until such time as, in the opinion of the Inspector, the defects have been repaired.

Employers are required to keep a record of their employees, the class of work upon which they are engaged and the rate of remuneration paid for such work.

Regulations are imposed relating to the hours of employment for females and other workers under and over sixteen years of age, and the nature of the operations upon which they may not be employed, except with the special approval of the Inspector.

Provisions are also made for the prevention of sweating by occupiers of factories; for the declaration of noxious and dangerous occupations; for sanitary arrangements in factories; and for the promotion of the general health and welfare of the workpeople.

ACT No. 29.—To provide for the establishment of Wages Boards; for the regulation of the wages of women and young persons and of the employment of apprentices and improvers in certain specified trades or occupations; and for other purposes in connection with any of those matters.

By means of this Act provision is made for the appointment of Wages Boards comprised of an equal number of representatives of employers and employees in a given trade and a Chairman who is neither an employer nor an employee in the trade or occupation concerned.

A Wages Board may fix the minimum rate of wages which shall be payable to women and young persons employed in a specified trade or occupation around or in the district or area for which it is appointed.

It may also determine the number of apprentices and improvers in proportion to the number of skilled workers who may be lawfully employed in those specified trades or occupations.

Provision is likewise made for the appointment of officers to investigate complaints, who are empowered to demand particulars in regard to the payment of wages and any other information they may require in the execution of their duties.

ACT No. 30.—To make further provision as to the leasing of the right to work precious metals in the Transvaal, and for that purpose to amend the Precious and Base Metals Act, 1908, of the Transvaal (Act No. 35 of 1908) in certain respects; and further to amend that Act in certain other respects.

This Act provides for the establishment of a Mining Leases Board consisting of the Government Mining Engineer, the Secretary for Finance and two other public servants.

The Board shall inquire into any application for a lease or for an amendment of a lease, and shall recommend whether, to

what extent, under what conditions, and for what reasons any such application shall be granted or refused, as well as the extension of the owner's " mijnpacht " for working purposes at great depths.

Applicants for mining leases are required to satisfy the Board that the proposition is a workable one and that the prospects of obtaining the necessary capital for the undertaking are reasonable.

Holders of mining leases are required to furnish the fullest particulars with regard to their capital, machinery, plant, &c., and to comply with the conditions stipulated in the Act.

Cost of Living.

The serious rise in the cost of living has been one of the many bad effects of the war, and it has inflicted great hardship in particular to people of small means and those with fixed incomes. Yet, serious though the increased cost of living has been, there is some consolation in knowing that it has not been so great in South Africa as in most other countries. The increase in South Africa has been much less than in Canada, the United States of America and all European countries, and only slightly higher than in Australia and New Zealand. That this is so, is attributable to the fact that South Africa now grows the bulk of her own food requirements and has already built up a considerable trade in exporting food.

A " Cost of Living Commission " was appointed in November, 1917, and the question of undue profits was included in its terms of reference. The monthly publication by the Commission of the prices of necessaries, obtained from a number of leading retail firms in the nine principal centres of the Union, has no doubt been of great assistance to consumers who have been asked by the Commission to compare the prices shown in their publication with the prices consumers are actually paying and, in the event of a large discrepancy being found, to report the matter to the local committee established in their centre.

The rise in the price of Indian foodstuffs, particularly in the price of rice, was a factor that had to be reckoned with, but steps were taken in July, 1918, to regulate the price of the then existing supplies as well as of future importations.

The Profits Report issued by the Commission states that two features of South African business during the war, which have had a marked effect on prices, " are the large increase of inter-trading (by which is meant buying backwards and forwards by wholesaler and retailer or between different wholesalers) and speculative buying of necessary commodities by persons who previously had no connection with the business in question; boot merchants buying cotton goods, for example."

The system employed by some South African merchants during the war of fixing the price of commodities on a replacement basis, instead of on the actual cost of the goods, has given rise to a good deal of adverse criticism. The charge of profiteering has been repudiated by a large section of the mercantile

community and even those who have adopted the replacement system have endeavoured to justify their action on the grounds that the upward tendency of prices during the war and the probable fall in prices at the conclusion of hostilities rendered such a system necessary in order to provide for the future requirements of consumers and to protect themselves against any post-war depreciation in the value of stocks in hand.

A large measure of the labour unrest which has taken place in the Union can be traced to the higher cost of living, particularly so in cases where the increase in the price of commodities was not offset by a corresponding increase in wages.

Public Works.

Government Works.—Arrangements are being made for the building of new Magistrate Courts and public offices in Cape Town.

With the object of the establishment of a South African Mint, it is proposed to spend £40,000, as a first instalment of a total outlay of £50,000, in the erection of mint buildings and the provision of plant.

New works under Irrigation Boards, for which loans are to be granted, include the Great Fish River Board Conservation Works, to cost, ultimately, £420,000; Upper Modder Irrigation Works, to cost £415,000; Sundays River Graaff-Reinet Irrigation Works, to cost £250,000, and Marlow Irrigation Works, to cost £50,000.

The erection of bridges was suspended during the war but several will be required as soon as steel can be procured. Bridges requiring 3,000 tons of steel are under design or the sub-structures for them are actually in hand.

The Department of Posts and Telegraphs of the Union of South Africa is taking the necessary steps to extend and improve the telephone system of the Union. The installation at Johannesburg and also at Cape Town of an automatic switchboard at each place of 10,000 connections is projected. The provision of similar switchboards, of a lesser capacity, for use at other centres in the Union is receiving consideration.

Municipal Works.—The commencement or completion of a number of important municipal schemes were held in abeyance during the war, owing to the difficulty of obtaining the requisite quantity of steel and other supplies from the United Kingdom.

The Corporation of the City of Cape Town have made satisfactory progress with the Southern Suburbs Main Drainage Scheme and Sewage Disposal Works, so far as the main intercepting and subsidiary sewers are concerned. Delay has been occasioned through the difficulty in obtaining facilities for the export from the United Kingdom of the plant required from there in connection with the lifting and disposal of the sewage. The early completion of the scheme is essential in the interests of the public health. The progress of the Steenbras Water Scheme for providing Cape Town with an adequate supply of water was, for a time, arrested owing to the withdrawal of facilities for the shipment of cast-iron pipes.

The Borough of Durban are negotiating with the Government in regard to the acquisition of a site for a new power station. New machinery is still being installed at the old works, although great delays continue to occur in obtaining plant from the United Kingdom. A scheme for providing the city with an additional supply of water, to be drawn from the Umlass River, is receiving the consideration of the Town Council. A site on the river has been selected and approved by the Water Commissioners appointed by the Town Council, subject to the foundations proving suitable. It is estimated that the scheme will entail an outlay approximating to £500,000.

The Corporation of Pietermaritzburg has under consideration the question of effecting extensive additions to the electric generating and boiler plant which have had to be delayed owing to war conditions. The carrying out of the main sewerage scheme was restricted on account of the shortage and high cost of the necessary materials. The construction of a large impounding reservoir is receiving the attention of the Town Council.

The Municipality of the City of Kimberley contemplate the erection of an abattoir and the provision of cold storage. The requirements will include a steel roof for a building of 12,315 square feet, floor area, overhead equipment and fittings and equipment for cold storage capable of dealing with 40,000 lbs. of meat.

The Municipality of Mossel Bay had practically concluded a contract for the installation of electric lighting plant, and had gone so far as to arrange for a loan, when the war intervened and caused the scheme to be abandoned for the time being. There is now, however, a keen movement in the town and council in favour of reviving the lighting scheme and the Council is taking steps to have the original plans and specifications brought up to date to meet present day conditions and requirements, with a view to the scheme being carried out in the near future. Arrangements to increase the existing water supply will be made as soon as iron pipes can be imported.

Trade.

Imports.—The total value of imports into the Union, exclusive of specie, during the twelve months ended the 31st December, 1918, was £49,487,168, as compared with £36,476,238 for the year 1917. These totals were made up as follows:—

Imports.	1917.	1918.	Increase.
	£	£	£
Ordinary Merchandise ...	34,750,782	47,397,389	12,646,607
Government Stores	1,725,456	2,089,779	364,323
Totals	36,476,238	49,487,168	13,010,930

In point of value, the imports for the year 1918 constitute a record, and the increase over the year 1917 approximates to no

less than one-third of the total imports for 1913. It must, however, be borne in mind that the prices of commodities increased very considerably during the last few years, and it is estimated that the average cost of each ton of goods landed in 1918, was £42, as against £25 in the previous year.

The total value of merchandise imported during the last nine years was as follows:—

Years.	Value.	Years.	Value.	Years.	Value.
	£		£		£
1910	34,007,178	1913	38,526,381	1916	38,759,262
1911	34,945,447	1914	31,322,590	1917	34,750,782
1912	36,009,841	1915	29,208,899	1918	47,397,389

Foremost amongst the recent increases was cotton piece goods, which rose in value from £3,177,413 in 1917 to £8,586,596 in 1918. Cotton blankets and rugs increased in value from £679,314 in 1917 to £1,482,970 in 1918. Apparel and slops increased in value by £678,540, and cotton hosiery by £635,873. Other outstanding increases included drugs, chemicals and apothecaryware (£254,000) and sugar (£129,000). The quantity of sugar imported in 1918 was over 17,000,000 lbs. greater than that imported in 1917.

There was a further decline in the value of the imports of foodstuffs and, with the continued development of local production, the Union will become increasingly independent of external supplies. Other decreases in the value of imports, as compared with the year 1917, include electrical and mining machinery, motor cars and parts thereof, and mineral oils.

Sources of Imports.—The imports from the United Kingdom amounted in value to £25,662,276 in 1918, as compared with £18,230,400 during the previous year, but the increase was due principally to the enormous rise in the value of cotton piece goods.

The average of the yearly contributions by the United Kingdom to the total value of the imports into the Union during the last three years was 55·1 per cent., as compared with an average of 56·8 per cent. for the three years immediately preceding the war. But during the period of the war the competition of Germany (whose trade during the three pre-war years showed a yearly average of 9·2 per cent. to the total value of the imports) was eliminated, so that the actual position of the United Kingdom during the last three years as compared with the three pre-war years was less satisfactory than the comparative percentages denote. On the other hand, it is remarkable, in view of the restrictions placed upon the manufacture and exportation of many articles, that the United Kingdom has succeeded in retaining so large a share of the trade.

A comparison of the average yearly value of the total trade of other British Possessions for the same years, shows that there was an increase in the percentage to the total imports of 2·4 per cent. during the last three war years. The increase was,

however, due almost entirely to the increase in the average yearly value of the import trade with India* and, to a lesser extent, to the increase in the value of the import trade with Canada. On the other hand, there was a considerable falling off in the value of the import trade with Australia, for which the inadequate shipping facilities between the Commonwealth and South Africa were mainly responsible.

If the comparison is applied to the value of the import trade of the Union with foreign countries collectively, the difference in the average value over the two periods is too slight to be worthy of mention. But if these foreign countries are dealt with separately the altered conditions are impressive. Trade with Germany was, of course, discontinued, and the value of the trade with Holland was materially reduced. On the other hand, the position of Sweden improved, and whilst the value of the imports from the United States of America has increased two-fold, the value of the imports from Japan increased ten-fold. But having regard to the small pre-war trade with Japan (which only showed an average 0·3 per cent. of the value of the total imports as compared with 8·9 per cent.—which represented the proportion of the imports drawn from the United States) it will be seen that the competition of America with the United Kingdom has been far more severe than that of any other country.

Competition between the United Kingdom, the United States of America and Germany was keenest before the war in hardware, machinery, and other iron and steel manufactures. The statement, appearing in Appendix "G" at the end of this Report, of the percentages of the total values of imports of the above-mentioned articles contributed by the various competing countries during the year 1913 and 1918 will serve to show the extent to which the positions have been affected by war conditions.

The following is a list of the principal articles, in addition to the articles mentioned in the previous paragraph, in respect of which either new competition has been introduced during the war by the countries named or the pre-war competition of these countries has been accentuated during hostilities, viz.:—

Principal Articles.	United States.	Japan.	Other Countries.
Iron and Steel :—			
Bar, Bolt and Rod	U.S.A.	—	Canada.
Pipes, Piping and Fittings ...			
Hollow Steel	„	—	Sweden.
Plate and Sheet, Rolled	„	—	—
Steel Reinforcement for Concrete			
Railway Material (Government) :—			
Locomotives	„	—	—
Rails	„	—	Argentine.
Fencing Standards	„	—	Canada.
Bolts, Nuts and Rivets			
Horse Shoes...			

* For a detailed analysis of the trade of the Union of South Africa with India, *see* the special Report in Appendix A.

Principal Articles.	United States.	Japan.	Other Countries.
Electrical Material	U.S.A.	Japan	—
Electrical Fittings	,,	,,	Holland.
Enamelware	,,	,,	Holland and Sweden.
Copper Manufactures	,,	,,	—
Brass Manufactures			
Motor Cars and Parts	,,	—	—
Motor Bicycles			
Instruments, Mathematical and Scientific	—	Japan	—
Apparel and Slops			
Cotton Piece Goods	U.S.A.	,,	India.
Cotton Blankets and Rugs ...	—	,,	India and Holland.
Cotton Shawls and Shawling ...	—	,,	—
Cotton Hosiery	U.S.A.	,,	—
Woollen Cloth and Piece Goods ...	—	,,	—
Woollen Blankets and Rugs ...			
Silk Piece Goods			
Silk Hosiery	U.S.A.	,,	—
Linen Manufactures	—	,,	—
Gloves and Mittens			
Hats and Caps, other than Straw			
Leather	U.S.A.	—	Argentine.
Leather Manufactures	—	Japan	—
Boots and Shoes (Men's)	U.S.A.	,,	Argentine.
,, ,, (Women's) ...	,,	—	Switzerland.
,, ,, (Children's) ...			
Glass Bottles and Jars	—	Japan	—
Plate Glass	U.S.A.	—	—
Window Glass	,,	Japan	—
Glassware generally	—	,,	Holland.
Earthenware and China	—	,,	—
Brushware	—	,,	Canada.
Drugs and Chemicals	—	,,	Canada and Australia.
Toys	U.S.A.	,,	—
Fancy Goods	—	,,	—
Stationery	U.S.A.	,,	—
Beads	—	,,	France.
Cordage and Rope	—	—	Australia.
Binding Twine and Harvest Yarn			
Perfumery	U.S.A.	—	France.
Corks and Bungs	,,	—	Portugal.
Clocks and Watches	,,	—	Switzerland and Japan.
Paper, Wrapping	,,	—	Canada, Sweden, and Norway.
Paper, Printing	,,	—	Sweden and Norway.
Oils, Linseed	,,	—	Canada, India, and Argentine.
Confectionery, Fancy	,,	—	—
Starch			
Paints and Colours	,,	—	Canada.
Varnishes	—	—	,,
Glue	—	—	Argentine and Brazil.
Milk, Condensed	U.S.A.	—	—

Imports of Principal Articles.—The following information in respect of the imports of certain commodities may be of interest, mainly as showing the trend of trade since 1913—the latest complete year prior to the war, viz.:—

Iron and Steel: Bar, Bolt and Rod.—The South African demand for these articles will be on a large scale. For some time bar iron has been manufactured and rolled in increasing quantities in South Africa, the output having been curtailed solely as a consequence of the limited amount of scrap and pig iron obtainable, and by the shortage of necessary machinery for working purposes. Quite recently extensive deposits of iron ore have been discovered. The progress of South African production of iron will be stimulated by the knowledge that coal can be obtained without difficulty and at cheap rates, and with the establishment of blast furnaces near Johannesburg the shortage of pig iron will be steadily removed.

Galvanised and Corrugated Iron.—It is believed that this market is capable of absorbing considerable quantities of these articles. It is expected, however, that there will be a reduction from the pre-war quantity owing to the increasing utilisation of tiles of local manufacture for purposes for which galvanised iron was almost exclusively used.

Pipes, Piping and Fittings.—The quantiy of iron and steel pipes, piping and fittings imported into South Africa has steadily decreased during the period of hostilities. Before the war the United Kingdom supplied considerably more than half of the total requirements of this country. Germany was the next largest source of supply, the imports from that country amounting to about 25 per cent. of the total quantity imported. The supplies from the United States of America did not exceed 10 per cent. of the total. During the year 1917 the quantity imported from the United States of America was about three-fifths of the quantity imported from the United Kingdom, but Canadian imports, which commenced in 1914, have since increased with unexpected rapidity.

Drill Steel.—The imports of this material into the Union are almost exclusively for consumption by the mining industry. It is estimated that the average annual consumption by the gold, diamond and coal mines from South Africa, based on a period of three years, is equivalent to about 4,500 tons per annum. The quantity consumed by other industries is so small that it cannot be said to be of any real importance. Two kinds of drill steel are used on the mines, namely, solid drill steel and hollow drill steel. The use of hollow steel is practically an innovation, which was introduced with the special object of allaying dust. The machines in connection with which this material is used are constructed in such a manner that water can be forced through the hollow in the centre of the steel against the face of the rock. By this means the dust evil, which is a cause of miners' phthisis, is to a great extent prevented. The first shipment of hollow steel to this country was made from Sweden, and considerable portions of subsequent importations have originated from that country. During the war, however, Sheffield manufacturers acquired a considerable knowledge of this class of manufacture, and have gradually overtaken the progress made by Swedish manufacturers. American supplies have also entered the market, and whilst it is impossible to obtain definite figures, it is estimated that about one-half of the orders placed by the Transvaal Chamber of Mines

for hollow steel during the last two years has been executed by American manufacturers, and the remainder has been placed with British manufacturers. Had not the introduction of hollow steel been rendered necessary by conditions underground, it is probable that United Kingdom manufacturers would have continued to hold the South African market for drill steel. Until the outbreak of war, practically no solid steel other than British, except a very small quantity from Sweden, was imported into the Union. An increasing proportion of hollow steel is, however, anticipated in the future, and it is thought that American manufacturers will endeavour to retain the hold upon this trade which war conditions have assisted them to secure. In endeavouring to assess future requirements, it is important that the present position of stocks should be considered. On the 1st September, 1918, there was in stock on the various mines in the Union approximately 5,000 tons of solid drill steel, a quantity which represented rather more than 12 months' consumption of all drill steel. The proportions of solid and hollow drill steel then being used were approximately:—Solid, 55 per cent.; hollow, 45 per cent. If these figures are accepted, the stock of solid steel will represent approximately two years' consumption. But apart from this, various steel merchants in South Africa have large stocks of solid steel in addition to those stocks held by the mines. Figures as to the exact quantities are not available, but a rough estimate may be put down at about 3,000 tons, or a further 12 to 18 months' supply. It would appear, therefore, that there is sufficient solid steel in the country to fulfil the demands of the industry for a period of three years without importing any additional supplies from overseas. The position in regard to hollow steel is entirely different. There was no accumulation of stocks when the war broke out, and towards the close of 1918 it was estimated that there was no more than six months' supply. To summarise the position in regard to drill steel, it is thought that there will be practically no demand for solid steel for a period of three years, but that there will be a demand for about 2,500 tons of hollow drill steel per annum, for the supply of which United Kingdom manufacturers will have to face American competition.

Plate and Sheet, Rolled.—During the year 1913 the total quantity imported into South Africa was 294,983 cwts. as compared with 51,263 cwts. in 1918. Prior to the war the imports from the United Kingdom were far in excess of those from other countries. Belgium was second on the list for plate rolled iron and steel as well as for sheet rolled iron and steel, but, whilst the imports of the former from Germany were nearly as large as the imports from Belgium, they only represented about one-third of the imports from Belgium of sheet rolled iron and steel. Since the war the quantity imported from the United Kingdom has been considerably reduced, but the quantity imported from America has shown a marked increase.

Agricultural Machinery.—The imports of agricultural machinery have decreased enormously since the outbreak of hostilities, which is shown by the fact that, although values have

considerably increased, the value imported in 1913 was £209,212 as compared with £84,916 for the year 1918. The pre-war imports from the United Kingdom and the United States of America were about the same, but during the war supplies from America, although reduced, have been considerably greater than the supplies from the United Kingdom. In the case of this class of machinery, it must be considered that practically every line imported into South Africa is covered by an agency arrangement, with the result that American machinery has continued to be imported by agents and others who have supported the American market for a period of years. The result is that firms who have hitherto been holding agencies for the goods have found themselves unable to obtain supplies from other countries, when exports from the United Kingdom were discontinued. These agency arrangements have a tendency to keep business in the same channel, and it is thought, therefore, that after the war the old sources of supply will be resumed. In the years immediately preceding the outbreak of war, agricultural machinery of United Kingdom manufacture was getting a slightly stronger hold on this market, and, provided United Kingdom manufacturers increase their efforts to secure business after the war, it is probable that they will obtain a larger share of the trade than during pre-war conditions. It is, however, advisable to point out that there is some difficulty in making changes, owing to the fact that firms who have been stocking machinery for years and have large stocks of spare parts find it inconvenient to change their sources of supplies. This applies more particularly to the supply of spare parts, which is a fairly lucrative business.

Turning to the various machines which are placed under this category, it may be mentioned that prior to the war America supplied the largest quantity of heavy binders, mowers and rakes used in South Africa. Canada was the next largest supplier of these articles. America also supplied the largest quantity of ploughs and harrows, Germany held the second place, and the United Kingdom and Canada shared the third. The supplies during recent years from the United Kingdom have been discontinued, and at the present time there is a great shortage and consequently a large demand for British supplies of machines and spare parts. .

In view of the wider cultivation which is becoming increasingly evident throughout the country, the future demand by South Africa is likely to offer every encouragement to British manufacturers.

Windmills.—For some time past American windmills have secured a strong hold on this market, and there is only one British manufacturer who has made any real attempt to compete for this trade. On the other hand, American windmills are supplied by several American manufacturers. The product of the United Kingdom has much to recommend it, so far as durability is concerned, but when the question of price, which is of paramount importance in this market, is considered, the American article has an immense advantage. . A close study of the conditions of this market is of the highest importance, and

it is essential that United Kingdom manufacturers should take every opportunity of making known the merits of their own windmill, not only in the leading towns but throughout the length and breadth of South Africa, and to see how far it is possible for them to reduce costs to compete with American productions.

Manufacturing Machinery.—Having regard to the rapid strides which have been made in local industries, and the enormous contemplated industrial development in South Africa, there is every reason to believe that the future demand from the United Kingdom for manufacturing machinery of all descriptions will be very great.

Refrigerating Machinery.—During recent years, and more especially during the war, when the demand for South African produce increased both in South Africa and elsewhere, the tax upon the then existing plant for refrigerating purposes far exceeded expectations, and with the greater ability of South Africa to supply other countries with foodstuffs of every description, including frozen meat, fruit, butter, &c., a demand for additional refrigerating machinery will be made. Even at the present time, the existing plant is totally inadequate to deal with the volume of traffic which passes through the cold storage. The possibilities of South Africa as an exporting country for produce is becoming increasingly manifest and cold storage schemes by several Municipalities have been suspended during the war solely as a consequence of the shortage of material for constructional purposes and of shipping space for the importation of the various commodities required in connection therewith. Manufacturers of this class of machinery will be well advised to take the earliest opportunity of studying the requirements of this market and of endeavouring to ascertain the extent of the probable future demand. The requirements of the railways must also be taken into consideration and, as the advantages of refrigerating machinery become more generally recognised, the smaller towns will no doubt take steps to provide cold storage accommodation.

Mining Machinery.—The combined efforts of the local manufactories which have sprung into prominence or into existence since the commencement of the war have demonstrated the ability of South African manufacturers to meet the requirements of the mines in a way sufficient, at least, to maintain their operations to the extent of about 80 per cent. to 90 per cent. of their pre-war capacity. But the manufacture of special machinery, such as turbines, steam engines of all kinds, steam hoists, pumps, &c., will in all probability be beyond the reach of the local manufacturing community for a considerable number of years. In point of value the imports into South Africa in 1913 were £765,986, of which the United Kingdom supplied goods to the value of £511,968 and the United States of America to the value of £161,191. German goods were valued at £73,939 and Danish goods at £11,273. In 1918, the total imports

were valued at £569,448 and the imports from the United Kingdom were valued at £292,123, from which it will be seen that the United Kingdom supplies were far lower in proportion to the total in 1918 than in 1913. On the other hand, the imports of American machinery in 1918 were valued at £271,730 and, consequently, the proportion of America's contribution to the total imports in 1918 has increased as compared with her proportion to the total in 1913 It must, however, be borne in mind that during the war the facilities to obtain machinery from the United States of America were considerably greater than in the case of the United Kingdom. The demand for all classes of mining machinery is very great and it is only by local supplies and by the ingenuity which has been shown by mining engineers in repairing and reconstructing machinery that the inability to obtain an adequate supply of machinery from overseas has not been attended with disastrous results.

So far as Rhodesia is concerned, very little new machinery has been indented, for the mining industry of the country has fallen back on second-hand boilers, engines, crushers, batteries, winding engines and pumps, of which there has been a large supply owing to the fact that many mines have become worked out and the plant sold. While several small mines have commenced operations, practically no large ones have commenced crushing, chiefly because no new capital has been obtained from the United Kingdom. It appears, therefore, that, so far as Rhodesia is concerned, new machinery has not been diverted to countries other than the United Kingdom, but that orders have been suspended until they can be executed by United Kingdom manufacturers.

Pumps.—The importation of pumps of various descriptions has decreased during the war and the demand, particularly for pumps used in connection with the mines, is very great.

In this connection, it is well to call attention to the advisability of introducing a British manufactured high lift centrifugal pump for heads up to 2,000 to 3,000 feet. The bulk of this business is in the hands of foreign manufacturers, notably a large firm of manufacturers in Switzerland. It will be a matter of some difficulty to introduce British competition in this direction because the pumps supplied by foreign manufacturers have, in most instances, given complete satisfaction. It not infrequently happens that the supply of an important branch of machinery encourages a demand for supplies of other manufactures from the same source. For example, there are many mines in which not only pumps of foreign manufacture have been installed, but also pump-motors and pipe columns.

Wire Rope.—In 1913 the total imports of wire rope were 75,812 cwts. of which no less than 75,551 cwts. were imported from the United Kingdom. In 1918 the total imports amounted to 31,164 cwts., of which the United Kingdom contributed 28,794 cwts. It will thus be seen that, although the quantity imported in 1918 was less than half the quantity imported during the year immediately preceding the war, the position of the

United Kingdom as an exporter to this market has been well maintained. The increase in the importations from the United States is distinctive. In 1913 only 72 cwts. of goods of American manufacture were imported, whilst in 1918 American supplies were represented by 1,193 cwts. In 1913 the average value per cwt. was approximately £1 10*s*., but in 1918 the average value per cwt. was £3, or an increase of about 100 per cent. in value.

There is a great scarcity of wire rope, and the demand from the United Kingdom will be very great. In 1917 Canada commenced to send supplies to this market, but the quantity imported was very small. So far as this trade is concerned, the pre-war demand for the British article is likely to be exceeded in the near future.

Electrical Machinery.—Although the price of every class of electrical machinery rose beyond all expectations, the value of the imports in 1918 was only £126,323 as compared with £451,280 in 1913, so that the actual quantity imported during 1918 was probably under 20 per cent. of the imports in 1913. The position of the United Kingdom was stronger in comparison in 1918 than in 1913, but it must be taken into consideration that whereas in 1913 the imports from Germany were valued at £252,746 the imports in 1918 had discontinued. The imports from America in 1918 represented about half the total, whereas in 1913 they did not amount to 10 per cent. of the total. In many cases orders for electrical machinery were suspended during the period of the war, and a demand from the United Kingdom can be looked for with confidence.

As to the probable position of United Kingdom manufactures in the near future, it is thought that every effort will be made by German manufacturers to export to this market either direct or through the medium of neutral countries.

Electrical Materials: Cable and Wire.—The total value of the imports in 1913 was £250,669 as compared with £90,624 in 1918. Whilst the imports from the United Kingdom decreased in value from £170,293 in 1913 to £19,744 in 1918, the American imports increased from £4,977 in 1913 to £32,026 in 1918. The most striking feature in connection with the imports of these articles is the extraordinary position of Japanese imports in 1918. During that year the value of Japanese imports was £33,955, which amount is greater than that of any other country, yet it was not until 1917 that Japanese manufacturers introduced their goods into this market, when the value of such imports amounted to only £142. In view of the inferior quality of the Japanese supplies and the impossibility of relying upon goods being equal to sample, it is not thought likely that Japan will retain any hold on this market when other countries are free to supply the necessary requirements.

Electric Fittings, including Posts.—In point of value the imports in 1918 were greater than in 1913, the figures being £282,093 and £263,768, respectively, but, having regard to the enormous increase in value of these articles, the quantity imported

in 1918 was considerably less than in the comparative year. The value of the imports from the United Kingdom in 1918 was £82,543, as compared with £154,775 in 1913. The imports from the United States of America in 1918 were valued at £79,233, as compared with £29,578 in 1913. The imports from Japan showed a steady increase until 1918, when they rose in value from £6,052 in the previous year to £24,327. The observations in connection with the prospects of Japanese competition in cable and wire hold true in respect of electrical fittings. The value of the imports from Holland, which in 1913 were £2,901, rose to £24,042 in 1917, and to £94,515 in 1918.

The position during the last few years points to the conclusion that there will be keen competition for the trade which was formerly in the hands of Germany, and it is believed that the United States of America will succeed in capturing a large share of it.

Railway Material (Government). — The difficulty of obtaining the necessary supplies of railway material during the war, owing to the inability of British manufacturers to execute orders, has largely depreciated the rolling stock of the South African railways. During the war the services have been curtailed, partly through shortage of rolling stock and partly through the reduction in the number of employees owing to military demands. It is believed that after the lapse of a reasonable period from the date of the cessation of hostilities, the channels through which supplies were drawn before the war will be reverted to. Only a very small proportion of the Government railway stores are obtained from sources outside the United Kingdom.

Railway Material (Private Account).—In addition to the requirements of the Government for railway supplies, the mines are very large importers of railway material, including light rails, locomotives, &c. The following particulars relating to railway material are in connection with the mines and with the railways other than the Government railways.

Rails.—The total quantity of rails (light and other) imported in 1913 was valued at £79,271, of which £61,375 represented the value of the imports from Germany. The imports from the United Kingdom were valued at £13,390 and from the United States £2,555. During 1918 the imports were valued at only £16,033, of which the United States of America contributed £10,218 and the United Kingdom £4,397. No supplies were drawn from any other countries, although up to the year 1917 a certain quantity had been imported from Canada.

Sleepers.—During 1913 the value of imported sleepers was £6,656, of which Germany contributed £3,320, the United Kingdom £1,895 and Australia £1,266. During the year 1918 the total importations only amounted to £615, of which the importation of sleepers from Madagascar was valued at £454 and from the United Kingdom at £126.

Locomotives.—The value of the importations of locomotives in 1913 was £60,148, of which £55,522 represented the value of the imports from the United Kingdom. During 1918 the value of the imports was £684, of which the United Kingdom contributed £353 and the United States of America £331.

Rolling Stock.—The importations in 1913 were valued at £59,155. The value of imports from the United Kingdom was £32,782, and from Germany £25,520. In 1918 the value was £66,363, of which goods to the value of £56,502 were imported from the United States of America, the remainder being supplied by the United Kingdom.

Tramway Material.—Before the war the imports of tramway material from the United Kingdom were a little in excess of the imports from the United States of America, and during the war the imports from the United Kingdom have been well maintained in face of exceptional difficulties.

Rails.—The total imports of tramway rails in 1913 were valued at £21,189, of which Germany contributed £14,257, the United States of America £4,296, and the United Kingdom £2,467. In 1915 the total imports decreased to a value of £7,358, and in 1918 the value of the imports, which were all drawn from the United Kingdom, was £791.

Rolling Stock.—The imports in 1913 were valued at £28,403, the United Kingdom contributing £15,785, and the United States of America £11,794. In 1918 the total imports were valued at £6,558, of which the United Kingdom supplied £3,680, and the United States of America the remainder.

Telegraph and Telephone Materials.—The following figures only apply to the imports of telegraph and telephone material other than that used by the Department of Posts and Telegraphs of the Union of South Africa, and include the importations made on behalf of the Durban Corporation, who control the telephone system of that town, and the importations by the Eastern and South African Telegraph Company.

The total value of the importations in 1913 was £17,907, of which the United Kingdom contributed £9,866, Sweden £2,765, France £1,711, and the United States of America £1,389. The importations in 1918 were valued at £5,997, of which Sweden contributed £2,500, the United Kingdom £2,238 and the United States of America £1,214.

So far as Government requirements are concerned, the importations from countries other than the United Kingdom during the period of the war have been negligible, and are represented by copper wire to the value of £3,864 from Japan, and telephone instruments valued at £4,062 from the United States of America.

Agricultural Implements.—In 1913 the total importations of agricultural implements, other than dairy utensils, were valued at £359,644, of which the United Kingdom contributed £145,386, and America £165,499. The imports from Germany

were valued at £28,687. During the war the importation of these articles has been considerably reduced, but the values have risen enormously. The value of the American supplies during 1918 was £249,096 out of a total of £419,282. The importations from Canada were valued at £104,755, which amount was nearly double the value of the imports from the United Kingdom. The progress which Canada has made points to the probability that Canadian manufacturers will retain a large share of the trade which they have obtained during the war.

A quantity of plough shares is now being manufactured in the Union of South Africa, but large quantities are still being imported from the United States of America.

In the manufacture of spades and shovels America has made great strides, and supplies of digging forks, hoes, scythes and sickles are now being imported chiefly from America and Canada. As in the case of Canada, competition from America is likely to be permanent.

Hardware.—The importation of metal goods from countries other than the United Kingdom has increased enormously owing to restrictions placed upon the exportation of such articles from the United Kingdom.

The Union of South Africa now imports the under-mentioned goods entirely from the countries named, whereas before the war they were imported chiefly, and in some cases almost exclusively, from the United Kingdom:—

Steel Mattocks	Canada and U.S.A.
Steel Pick Axes	Canada and U.S.A.
Bolts and Nuts, Washers ...	Canada and U.S.A.
Iron Shoe Rivets...	Canada.
Iron Wood Screws	Canada and U.S.A.
G.I. Roofing Screws	U.S.A.
Lampware and Lanterns ...	Canada, Japan, U.S.A.
Tools, Carpenters' and Farriers'	U.S.A.
Brick and Plastering Trowels ...	U.S.A.
Pruning Shears	U.S.A.
Vices	U.S.A.
Cutlery, Pocket Knives, Scissors, Razors.	U.S.A., Japan.
Tee Hinges, Butt Hinges and similar Metal Goods.	U.S.A.
Copper Rivets and Washers, Bifurcated Rivets.	U.S.A.
Tacks	U.S.A.
Vermin Traps	U S.A.
Clyburn Spanners	Japan.
Brass and Copper Wire	Japan and U.S.A.
Padlocks	Japan and U.S.A.

Fencing Standards.—Before the war Belgium was by far the largest supplier of these articles. The value of the imports from that country in 1913 was no less than £154,593 out of a total of £203,125. Germany was the next largest supplier, with goods valued at £27,514, followed by the United

Kingdom at £17,540. The total importations in 1918 only amounted to £785, of which the United Kingdom contributed £725. The supplies from the United States of America were always on a very small scale, mainly because America converts the metal into steel. No doubt the imports from the United Kingdom will revert to their pre-war level, but it is probable that Belgium will continue to be the chief source of supply.

It may be mentioned that fencing standards, which were formerly made in Belgium, were handled and shipped to South Africa by German houses.

Fencing Wire.—During the war the position of the United States as the largest supplier of fencing wire has been maintained. Large quantities of fencing wire were imported from Germany before the war, and United Kingdom manufacturers should take every opportunity of endeavouring to capture a large portion of this trade. Before the war the imports from Canada were on a very small scale, but in 1918 the imports amounted to no less than 15,857 cwts., which is about half the quantity imported from the United States. Supplies from the United Kingdom during the same year were almost negligible.

South African farmers have enjoyed several seasons of exceptional prosperity, and should now be in a position to improve their properties.

A heavy demand for fencing wire is expected in the near future, but the question of price will have an important bearing upon future supplies. The American article, though difficult to import latterly, has been, and still is, regularly quoted by manufacturers, and large orders are at present on hand, both in the United States and Canada. During the war it has been the policy of the United Kingdom manufacturers to accept only open orders for delivery as and when possible, and buyers in South Africa have not been disposed to place orders on these conditions, even though the British article is generally preferred. The possibility of quotations from the United Kingdom being lower than those from America is by no means favourable and, therefore, it is probable that South African purchases will continue to be made from the United States of America and Canada for some time.

Cast-iron Hollow-ware. — With regard to cast-iron hollow-ware, kaffir pots and cast-iron cooking stoves, some little progress has been made in the manufacture of these articles in South Africa and, although at present interrupted, will be resumed on a larger scale later. The demand for the imported article will, however, always be heavy as the articles made locally cannot compete except in a few items.

With the exception of certain items, such as three-legged kaffir pots, which were supplied to this market by Germany in some quantity, the United Kingdom before the war held practically a monopoly of the cast-iron trade and is expected to do so in the future; but certain patterns of stoves supplied by America since the war are likely to continue to find a market in this country.

Bolts, Nuts and Rivets.—Although the imports from the United Kingdom during 1918 were nearly double those from

America, the progress made by the American product during the last few years has been more marked than in the case of the United Kingdom. It is thought, however, that when facilities are given to United Kingdom manufacturers to send larger supplies to this market they will be able to strengthen their position very considerably. In this class of manufacture the United Kingdom far excels any other country, but it will be interesting to watch the progress of Canada, who entered the trade in 1916, and has since made good progress. The total importations in 1913 were valued at £69,256, of which the United Kingdom contributed £56,669. In 1918 the total importations were valued at £77,146, of which the United Kingdom supplied £42,769, the United States of America £23,720 and Canada £10,246.

Nails and Screws.—The total imports in 1913 were valued at £71,653, of which the United Kingdom contributed £43,683, Germany £12,078, America £7,167 and Belgium £4,956. The value of the imports in 1918 was £106,178, of which Canada contributed £33,163, America £32,265 and the United Kingdom £14,424. The most striking feature of this trade is the great progress made by Canada, from which country goods to the value of only £12 were supplied before the war.

It is probable that a large share of this trade will be retained by Canada provided Canadian manufacturers pay more attention to the packing of their goods.

Cutlery.—The total importations in 1913 were valued at £104,556. The supplies from the United Kingdom were valued at £75,142, from Germany £24,039 and from the United States of America £4,338. In 1918 the total importations were valued at £219,680, of which the United Kingdom supplied £102,748, Japan £61,300, Canada £32,100 and the United States of America £17,655.

In connection with the Japanese imports, which first entered this market in 1916, and rose to a high figure in 1918, they are chiefly represented by an inferior quality of cutlery used chiefly in the native trade. It is believed that had supplies from other countries been forthcoming Japanese manufacturers would not have received the slightest encouragement having regard to the exceptional inferiority of their goods, and it is not thought that they will find a market in this country so soon as adequate supplies can be drawn from other countries. Japanese manufacturers were successful in disposing of a large quantity of pocket knives for the native trade, but the low quality of the articles supplied caused great dissatisfaction.

Sewing Machines.—The imports in 1913 amounted to £68,814, of which the United Kingdom contributed goods to the value of £42,302, Germany £22,670, and the United States of America £3,706. The total importations in 1918 were valued at £125,592, of which the United Kingdom supplied goods to the value of £119,781 and the United States of America to the value of £5,471. It will thus be seen that the chief source of supply of these articles is still the United Kingdom, but in order

to capture the additional trade which was formerly in the hands of German manufacturers it is considered necessary that a sewing machine of a lower quality should be manufactured in the United Kingdom as well as the high-class article which British manufacturers are accustomed to supply. Otherwise, it is not improbable that American manufacturers will capture the trade which was formerly in the hands of Germany.

Enamelware.—Particulars of the imports of this commodity will indicate the improved position of America, although the class of goods supplied by that country is considered to be inferior to the supplies from the United Kingdom. For superiority in finish, Sweden is unrivalled. As regards Japanese supplies, it is not considered likely that there will be a great demand in the near future, but it is possible that the goods supplied by America during hostilities will be improved upon when American manufacturers have to face keener competition.

Motor Cars.—American motor cars are firmly established in the South African market, and United Kingdom manufacturers will experience considerable difficulty in weakening the hold American manufacturers have secured. During the war, American supplies have been entering this country freely, and the imports of Canadian manufacturers have been well maintained, having regard to the reduction in the total number of cars imported into the country. Buyers of high grade cars are few in number, but for low and medium grade cars, ranging in price from £250 to £750, there is a good demand. The requirements of this market are best suited with a light car of ample power. The popularity of the American motor car is due to several reasons. In the first place, the width between the wheels of American cars, which is 56 inches, conforms to the track of the country. Then the American cars are so constructed as to enable them to cover the rough country over which it is so often necessary to travel and to cross shallow streams and rivers without the magneto coming into contact with water. Again, they can be driven long distances without causing the same fatigue to the driver as in the case of the British car. This is due to the fact that the American car can be driven practically all the time on top gear, and the question of fatigue caused by repeatedly changing the gear does not arise. In addition to these advantages, American cars are exported with self-starters and electric lights. On the other hand, British cars—with the exception of the higher grade makes—are invariably sent to this country without these essentials. A careful study of South African conditions and resultant requirements by British manufacturers is essential before the British motor industry can hope to find a good market in this country.

Motor Bicycles.—The total imports of motor bicycles in 1913 were valued at £223,524, of which the United Kingdom supplied goods to the value of 201,378 and the United States of America £6,664. In 1918 the total imports were valued at £96,807, of which the United States of America contributed

£66,660 and the United Kingdom £30,122. Although America has taken full advantage of the opportunity the war has afforded her to increase her trade with this market there is still a decided preference for the United Kingdom article. So soon as supplies can be drawn from the United Kingdom to a greater extent than has been the case during the last few years it is thought probable that United Kingdom manufacturers will again obtain control over the market.

Apparel and Slops.—Under this heading, practically the whole of the ready-made articles for general wear in cotton, woollen and other fabrics except piece goods, blankets, shawls and underclothing are included. The value of the imports in 1913 was £2,709,415, of which the United Kingdom contributed no less than £2,526,414. Germany supplied articles to the value of £74,981 and the United States of America £33,802. In 1918 values increased enormously, and the imports for that year were valued at £2,948,324, of which the United Kingdom contributed £2,822,421. The value of the imports from India amounted to £35,356 and from Japan £33,612. From these figures, and from the figures in connection with subsequent headings it will be seen that, generally speaking, not many lines in textiles have been diverted from the United Kingdom to competitive countries.

Particulars of the quantities imported are not available but, allowing for a general advance in prices ranging from 50 per cent. to 100 per cent. it is evident that in point of quantity there has been a considerable falling off in the importations during the last few years. India has increased her exports by 150 per cent. so far as values are concerned, and Japan by about the same percentage but, whereas the increase from India has been in men's clothing, helmets, &c., the increase from Japan has been mainly in ladies' wear and children's made-up garments.

When it is considered that German goods under this heading were of twice the value of those from India it would seem that other countries have failed to supply a good many articles which were formerly drawn from enemy countries.

Cotton Piece Goods.—The great increase in the value of the imports in 1918 was due in a large measure to the greatly increased prices which these articles were able to command. But, apart from enhanced values, commercial speculation was responsible for a large amount of excessive importation. There have been other causes for the increase in the demand, including local manufacturing activities and a consequent greater demand for making-up materials. The scarcity and high prices for the staple commodity have no doubt enabled American and Indian manufacturers to cater for this market, but it is not improbable that a re-adjustment will take place in the near future. Cotton prints, known as "Blauwdruk," of which very large quantities were formerly imported from Germany, have been very successfully made in Lancashire, and it is considered that in point of quality, design and colourings the Lancashire productions are even better than the old German manufactures.

Cotton Blankets and Rugs.—In connection with the competition of Japan, it may be mentioned that the "Jacquard" cotton blankets, which were formerly imported from Germany, have been very successfully copied by Japanese manufacturers, and it is probable that they will be in a position to retain a large share of this trade owing to the fact that the particular style and colourings required are not supplied by United Kingdom manufacturers.

Cotton Shawls and Shawling.—The value of the imports in 1918 was nearly double that of 1913, the figures being £146,723 and £77,605 respectively. Before the war Germany was the most important competitor with the United Kingdom, but the imports of German articles fell a long way short of those supplied by United Kingdom manufacturers.

The pre-war Belgian trade, which, though comparatively small, fell away completely during hostilities. The imports from Japan, which had not reached this market prior to the war, assumed large proportions, and in 1918 were valued at £45,454. It is gratifying to observe that the position of the United Kingdom has been fairly well maintained and, although Japan may retain a certain amount of the trade, by far the greater part of it will probably revert to United Kingdom manufacturers.

Cotton Hosiery (underclothing).—The total imports in 1913 were valued at £696,051, of which the United Kingdom contributed £569,442, Germany £71,818, Japan £20,129, and the United States of America £16,423. In 1918 the value of the imports rose to £1,648,542, of which the United Kingdom contributed £1,234,022, Japan £244,341, and America £130,404. The imports from India show a marked increase and were represented in value by £19,201. Switzerland obtained a share of the trade to the value of £14,882. It is not thought that Japanese supplies will find a good market in this country after the war, except in the case of cheap underclothing absorbed in the native trade. In these lines Japanese manufacturers obtained a firm hold even before the war, and owing to the low prices for labour ruling in Japan, there is little likelihood of this trade being captured by any other country.

Woollen Manufactures: Cloth and Piece Goods.—The imports in 1913 were valued at £342,680, of which the United Kingdom contributed £302,228, France £20,256 and Germany £15,266. In 1918 the value of the imports was £854,569 and, apart from the imports from Japan which were £5,778 and from the United States of America, which were valued at £1,274, practically the whole of these articles was supplied by the United Kingdom.

Blankets and Rugs.—Out of a total value of £292,157 in 1913 the contribution of the United Kingdom was valued at £254,685. In 1918 the importations were valued at £402,105, of which the United Kingdom contributed £363,998. Apart from the fact that Japan, which entered the trade in 1916, supplied goods to the value of £23,651, the dominating position

of the United Kingdom remained unchallenged. The quality of the goods supplied by Japan has given rise to considerable dissatisfaction, and it is not thought that United Kingdom manufacturers have anything to fear from competition from other countries.

Shawls and Shawling.—The same remark holds true with regard to shawls and shawling. Out of a value of £62,595 in 1913, the imports from the United Kingdom represented £46,188, and Germany's contribution represented £12,035. In 1918 the total imports were valued at £68,674, of which no less than £66,188 represented goods manufactured in the United Kingdom. The imports from other countries had either decreased or ceased altogether, and there is no evidence that any serious attempt will be made on the part of other countries to compete for this trade.

Haberdashery and Millinery: Gloves and Mittens.—The value of the total imports for 1913 was £52,640, of which Germany contributed £17,839, the United Kingdom £11,945, Belgium £6,217 and Italy £5,539. The value of the imports in 1918 was £50,216, of which the United Kingdom contributed £28,928, France £7,863, Japan £5,667 and Italy £5,624. It is not improbable that Japan will retain a share of this trade, but much depends on how far Japanese manufacturers are able to improve the quality of their manufactures.

Umbrellas, Parasols and Sunshades.—As in pre-war years this trade remains chiefly in the hands of United Kingdom manufacturers, although the imports of Japanese manufactures showed a marked increase during the war.

So far as umbrellas are concerned the United Kingdom article is much preferred, and is superior in every way to the article manufactured in Japan.

Miscellaneous Haberdashery and Millinery.—With regard to all other classes of haberdashery and millinery not otherwise denominated, the value of the trade in 1913 was £1,246,359, of which the United Kingdom contributed £801,297. In 1918 the imports were valued at £1,321,184, of which the United Kingdom contributed £853,878. The most striking changes in this trade are the discontinuance of supplies from Germany which, before the war, were valued at £207,950, and the increase in the value of the imports from Japan from £8,129 in 1913 to £111,132 in 1918. The imports from Switzerland increased very considerably in point of value, but in point of quantity it is probable that the increase was not so striking.

Hats and Caps.—In 1913 the imports of hats and caps, other than those manufactured from straw material, were 208,213 dozen, which were valued at £194,945. In 1918 the imports amounted to 186,035 dozen, valued at £321,879, from which it will be seen that values have increased very considerably during the period of the war. The contributions from the United Kingdom have remained far in excess of those from other countries, and it is not thought that after the war the competition

from other sources will seriously interfere with British trade. It must, however, be borne in mind that the manufacture of cloth hats and caps has been commenced in South Africa, and that good progress has been made. It is probable that so soon as machinery used in the process of manufacture can be imported into this country the local output will considerably increase. There is a large demand for cloth hats and caps in South Africa, more especially in the country districts.

Leather.—Owing to the difficulty of getting supplies from Europe local manufacturers have largely benefited, more especially those in the boot and saddlery trades.

For raw material used in the process of manufacture local manufacturers have been almost entirely dependent upon South African supplies or upon importations from Australia, the Argentine and America.

The importations in 1913 of leather (other than morocco and patent and pigskin in the piece) amounted to 2,652,326 lbs., of which Australia supplied 1,382,461 lbs. and the United Kingdom 1,212,315 lbs. In 1918 the total quantity imported was 717,001 lbs., of which the Argentine supplied 307,400 lbs., Australia 282,255 lbs. and the United States of America 113,469 lbs. The imports from the United Kingdom were only 10,111 lbs.

Boots and Shoes (Men's).— In 1913 the total imports were 2,019,976 pairs, of which the United Kingdom supplied 1,934,218 pairs. In 1918 only 796,781 pairs were imported, of which the United Kingdom supplied 386,363 pairs and the United States of America 367,575 pairs, from which it will be seen that whilst the imports from the United Kingdom have shown a considerable reduction, those from the United States of America have increased nine-fold. The importation of lower price goods has practically ceased, local manufacture having replaced a large part of the trade. Supplies have been drawn from the Argentine, and during the year 1918 footwear manufactured in Japan found its way into this country. It is not thought, however, that these countries will be able to compete with the imports from the United Kingdom of high-class boots when United Kingdom manufacturers are in a position to place their productions on this market. Apart from local manufacture, which is fast increasing and which will probably receive a large measure of protection in the near future, the most serious competitor with whom United Kingdom manufacturers will have to contend will be America. This will apply particularly to the medium class boot, the wearers of which lean more favourably to the American article, more especially since English patterns and styles were adopted by American manufacturers.

The importation of large quantities of second-hand boots and shoes which were formerly imported from the United Kingdom up to and during the year 1918, has been discontinued owing to the representations made to the Union Government by South African manufacturers. Towards the close of 1918 legislation was introduced which prevented the importation into South Africa of second-hand footwear.

Boots and Shoes (Women's).—In 1913 the total imports were 1,694,743 pairs, of which 1,527,192 pairs were imported from the United Kingdom, 35,042 from the United States, and 49,909 from Switzerland. The total imports in 1918 were 1,464,023 pairs, of which the United Kingdom supplied 837,462, the United States of America 415,123 and Switzerland 201,981 pairs.

The fact that the imports of women's footwear in 1918, as compared with the imports in 1913, do not show a proportionate reduction as in the case of men's footwear, is due in a great measure to the local competition being less severe in the case of women's boots and shoes.

Boots and Shoes (Children's).—In 1913 there were 1,299,982 pairs of children's boots and shoes imported, of which 1,267,459 pairs were drawn from the United Kingdom. In 1918 the total quantity imported was 784,586 pairs, of which the United Kingdom contributed 620,696, the United States of America 116,238 and Switzerland 40,900 pairs. At the present time prices are very high, but the demand for high-class footwear at reasonable prices is very great.

Saddlery and Harness.—In 1913 the total importations were valued at £69,587, of which the United Kingdom contributed no less than £68,202. In 1918 the total importations were £19,639, of which the United Kingdom contributed £17,541. These figures represent the importations of high-class saddlery and harness only, as the cheaper qualities are being made in South Africa.

With the passing of the horse vehicle as a means of locomotion, the demand for high-class harness has considerably decreased. United Kingdom manufacturers need not attach much importance to competition from countries other than South Africa, but the local manufacturers have been able to effect an immense improvement in the quality and appearance of their productions during recent years, and it is not improbable that in the near future the demand for high-class harness, if it continues, will be met by local production.

Bands and Belting.—The mines are large consumers of belting, and the quantity actually consumed by the mining industry in the Union of South Africa during the year 1918 was valued at £182,000. Belting may be divided into two classes, viz.:—driving belts and conveyor belts. Driving belts are made chiefly of balata, although a certain proportion of leather belting is also used. Two kinds of conveyor belts are used, namely, rubber and balata. The balata conveyors are practically all of United Kingdom manufacture, while the rubber conveyors are imported from the United States of America. It is estimated that of the total conveyors used 70 per cent. are of rubber and the balance of balata. No great accumulation of stock in belting has taken place, either by the mines or by the merchants in South Africa. Altogether there is probably in the country a reserve stock of less than six months' requirements. It may be assumed, therefore, that South Africa will require in the future anything from

£150,000 to £200,000 worth of belting per annum. Before the war an attempt was made by United Kingdom manufacturers to secure a larger share of the orders for rubber conveyors, but their efforts were never entirely successful, and for a number of years the American manufacturers have been able to hold the market.

Drugs and Chemicals.—The imports from the United Kingdom are far in excess of those obtained from any other country, and are approximately four-fifths of the total imports into South Africa. Before the war the importations from Germany were on a very large scale, being approximately three-fifths of the quantity imported from the United Kingdom. The United States of America had a small share of the trade, which she maintained during the period of hostilities but, having regard to the advance of prices, it is probable that the importation from the United States has not increased to any appreciable extent. Canada, Japan and Australia have entered the market and in some lines their position will probably be retained.

Perfumery.—The value of the imports in 1913 was £65,836, of which the United Kingdom contributed £32,408, America £20,944 and France £8,402. In 1918 the imports were valued at £162,466, of which the United Kingdom contributed £68,014 and America £68,542. The imports from France were valued at £23,100. Values have been considerably increased, and it is therefore not unlikely that the quantity imported shows a reduction as compared with pre-war importations.

Furniture.—There has been an enormous reduction in the quantity of furniture imported and progress has been made by the local manufacturers. It is not thought, however, that after the war the local article will be able to compete with overseas supplies, as the workmanship and finish of the latter is far preferable. Apart from this, the timber supplies from South Africa are not sufficiently large or of as great a variety as the furniture trade demands. The importations of various classes of furniture, not otherwise denominated, were valued at £297,043 in 1913, of which the United Kingdom supplied goods to the value of £190,841. Apart from America, which contributed £41,019, there was no serious competition from other countries. In 1918 the total value of the imports was reduced to £67,825, of which the United Kingdom contributed £30,774. The imports from the United States of America were considerably reduced, but the Argentine entered the trade in 1918 and supplied goods to the value of £9,306.

Bedsteads.—The imports in 1913 were valued at £80,592, of which the imports from the United Kingdom were valued at £77,566, and from the United States at £2,254. The imports in 1918 were valued at £37,868, of which the United Kingdom contributed £33,389, and the United States £4,474. Having regard to the higher prices ruling since the war it is probable that the importations from the United Kingdom have been reduced to about a third of their pre-war figure, but competition

from countries other than America has been non-existent. American competition was particularly evident during the year 1916 when the imports from that country were valued at £29,679 as compared with £52,678 from the United Kingdom. It is thought probable that the United Kingdom will continue to hold the good market she has secured in this country.

Carpets and Floor Rugs.—The total value of the importations in 1913 was £69,248, of which the United Kingdom supplied goods to the value of £55,548 and India £5,677. In 1918 the value of the imports was £93,099, of which the United Kingdom contributed £62,493 and India £17,068. The imports from Japan were valued at £8,620 and from China £3,907. So far as the Japanese carpets are concerned the general opinion is that these articles have been imported into South Africa to serve a temporary purpose and that the likelihood of importations from Japan being renewed after the war is very remote.

Linoleum and Floorcloths.—The value of the imports of linoleum and floorcloths for 1913 was £93,991, of which the United Kingdom contributed £92,215. The value of the imports in 1918 was £57,627, of which the United Kingdom contributed £54,549. The United States has benefited by the restrictions placed upon United Kingdom manufacturers, but it is believed that the small measure of trade which has been diverted from the United Kingdom to America during the war will revert to its pre-war source of supply.

Glassware.—Before the war, cheap glass flower vases for table decoration were largely imported from Germany, in almost endless shapes and sizes, and with the stoppage of supplies from this source these articles became practically unprocurable. The United Kingdom supplied certain patterns in limited quantities, but of a superior quality, and during the war the demand for such articles, which were classed as luxuries, considerably lessened. It has been a matter of extreme difficulty to obtain supplies of licensed victuallers' glass, owing to the special sizes and shapes required for the trade. Belgium was relied upon for pre-war supplies for this market which were augmented to a certain extent by supplies from Holland. During the war occasional shipments were made from Holland, and an inferior article, which took the place of the cheaper lines hitherto drawn from Germany and Austria, was imported from Japan. It is expected that large quantities will be required for some time to come to make up for the deficiency in importation which has been experienced during hostilities.

Earthenware and China.—The total imports of earthenware and china, apart from such articles as bricks, fireclay pipes and piping, tiles, &c., were valued in 1913 at £153,266, as compared with £171,307 in 1918. The United Kingdom has maintained the foremost position she occupied before the war, and it is not thought that the future competition will be severe. If German and Austrian manufactures are excluded from this market the United Kingdom will practically have a monopoly of the trade.

In regard to cups and saucers there has been some competition from the Continent and Japan, but Japanese competition has only been possible during the last three years. Continental competition may be resumed after the war, but the Japanese articles are so inferior that there is little fear of supplies being drawn from that source.

Brushware.—The total importations in 1913 were valued at £62,329, of which the United Kingdom supplied goods to the value of £44,347. Germany occupied the second place with goods to the value of £8,402, Austria-Hungary the third with goods valued at £2,418, followed by America, whose imports were valued at £2,365. The imports in 1918 were valued at £77,195, and although this amount is in excess of the value of the imports in 1913 it is probable that in view of the higher values the quantity imported in 1918 was considerably reduced. The United Kingdom supplied goods to the value of £40,424 and Japan occupied the second place with goods to the value of £26,608. When it is considered that Japan only entered the market in 1914 the progress made by Japanese manufacturers has been astonishing. In certain lines it is thought that Japan will be in a position to retain a certain amount of the trade. The importations from Canada have been improving in recent years and have shown a steady upward tendency.

Jewellery.—The total imports of 1913 were valued at £159,346, of which the United Kingdom supplied goods to the value of no less than £150,788. Apart from Germany, whose imports were valued at £5,825, the competition from other countries for the trade of this market was beneath serious consideration. The value of the imports in 1918 was £96,739 and having regard to the enormous increase in values it will be seen that in point of quantity the imports have been considerably reduced. The United Kingdom supplied goods to the value of £82,169, the United States of America to the value of £6,449, and Switzerland to the value of £4,446. There is ample evidence to show that the United States are gaining a footing in this trade and France is making fair progress. It is believed that a large portion of the trade which was formerly conducted between South Africa and Germany has been diverted to France and America.

Electroplate and Silverplate.—As in the case of jewellery, the bulk of the trade of South Africa is with the United Kingdom, but the imports during the war have been reduced to about half the pre-war quantity. The total value of the imports in 1913 was £148,177, of which the United Kingdom supplied £128,603 and Germany £15,821. In 1918 the total value of the imports was £93,970, of which the United Kingdom supplied £85,009, and Japanese goods, which entered the market in 1915, were represented by a value of £7,332. There has been a falling off in American supplies, but no doubt after the war American manufacturers will endeavour to at least regain the volume of the trade carried on between South Africa and America before the war.

Clocks and Watches.—The total value of the imports in 1913 was £90,593, of which the United Kingdom contributed £36,807, Switzerland £23,894, Germany £14,405, and America £12,642. The quantities drawn from countries other than those mentioned were very small indeed. During the year 1918 the total imports were valued at £115,290, of which Switzerland contributed no less than £64,055, the United States £29,795, while the contribution from the United Kingdom only represented £13,782. It is believed that after the war the competition of Switzerland and America will be far more severe than in pre-war days.

Toys.—The value of the imports of toys in 1913 was £69,815, of which Germany supplied goods to the value of £44,395, the United Kingdom £20,248, and the United States of America £2,891. The value of the imports in 1918 was £84,784, of which Japan contributed no less than £42,190, the United Kingdom £26,543, the United States of America £12,680. The imports from the United Kingdom have fallen in sympathy with the reduction in the total imports despite the fact that Germany, which was the largest supplier before the war, has ceased to contribute to this market. America has made good headway in this trade, but the progress made by Japan, which only entered the market in 1914, has been extraordinary. It seems probable that the class of toys formerly imported from Germany has been diverted to the United States and Japan. The supplies from these two countries include wood, metal, celluloid and rubber toys of almost every description.

Fancy Goods.—The total importation of fancy goods in 1913 was valued at £54,547, of which the United Kingdom supplied £27,165, Germany £15,191, Japan £5,268. In 1918 the imports were valued at £110,771, of which Japan supplied no less than £50,939. The United Kingdom's supplies were valued at £46,662, those of the United States of America £5,803, and of France £4,008. This is the class of trade which lends itself peculiarly to the efforts of Japanese manufacturers and it is probable that they will be successful in retaining some portion of the trade they have secured during the last few years.

Stationery.—Apart from certain articles such as printed books, playing cards, ink, maps, and charts, photographs, typewriters, &c., the value of the importation of stationery in 1913 was £235,123, of which the United Kingdom contributed £188,375, United States of America £18,634, and Germany £14,514. In 1918 the total imports were valued at £360,600, of which the United Kingdom contributed £250,030, the United States of America £58,658, and Japan £22,400. From these figures it will be apparent that the demand for United Kingdom supplies is far in excess of that from any other country. In many cases the articles drawn from other countries during the period of the war have been most unsatisfactory and instead of weakening the position of United Kingdom manufacturers it is

thought that this competition during the war will serve to enhance the demand for United Kingdom goods so soon as they are available.

Vegetable Oils.—Practically all the supplies of castor oil are drawn from India and the United Kingdom, although Portuguese East Africa sent supplies to this market during the year 1916.

The trade in cocoanut oil is divided between India, Mauritius, and Zanzibar, the supplies from other countries, with the exception of Ceylon and Portuguese East Africa, being on a very small scale.

With regard to linseed oil the total imports in 1913 were 421,246 gallons, of which the United Kingdom supplied 418,179 gallons. In 1918 the total quantity imported was 413,426 gallons, of which the United Kingdom only supplied 7,379 gallons. On the other hand, India, who entered the trade in 1916, supplied no less than 179,469 gallons and the Argentine Republic supplied 175,297 gallons, although they did not hitherto send supplies to this market. The imports from United States of America were 37,488 gallons and from Canada 11,452 gallons. It is desirable, however, from the point of view of comparison, to quote the 1917 figures which are entirely different. The total importations that year were 218,134 gallons, of which the United Kingdom supplied 184,058 gallons, India 26,462 gallons, and the United States of America 7,608 gallons. In the year 1915 and 1916 practically the whole of the supplies was drawn from the United Kingdom. Perhaps there is no trade in which such remarkable changes have taken place as in the supply of linseed oil.

Oilmen's Stores.—Generally speaking, the trade in oilmen's stores (which includes such articles as blacking and boot polish, glue, dog biscuits and meal, emery, blue, washing soda) was practically all in the hands of the United Kingdom in 1913. In 1918, the whole of the dog biscuit trade passed into the hands of the United States of America, who supplied 26,418 lbs. The supplies of glue drawn from the United Kingdom decreased from 1,934 cwts. in 1913 to 971 cwts. in 1918, although the total importations in 1918 were nearly five times the total in 1913. The Argentine Republic supplied 9,777 cwts., Brazil 2,095 cwts., United States of America 1,437 cwts., and France 1,003 cwts. The large increase in the importation is due to a certain extent to local speculation and, at the present time, it is estimated that there are large stocks in this country which the importers find a difficulty in disposing of. It is not thought likely that fresh supplies will be required for some considerable time.

As regards starch, the total quantity imported in 1913 was 2,852,898 lbs., of which the United Kingdom supplied 2,098,953 lbs., the remainder being divided almost equally between Belgium, Germany, and Holland. In 1918 the United Kingdom only supplied 6,841 lbs. out of a total of 1,062,081 lbs. The United States of America supplied 909,671 lbs., Australia, who entered the market in 1917, supplied 49,438 lbs., Brazil 50,680 lbs., and Japan 39,941 lbs.

Paints, Colours, and Varnishes.—During the last two years supplies from the United Kingdom, which were on a large scale before the war and reached a record figure in 1916, have been reduced and America and Canada have taken the opportunity of supplying paints, varnishes, and leads, but, with the exception of American paints and leads, this competition is only regarded as temporary, the quality of the importation from these countries being inferior to the British articles and the packages of awkward dimensions. It is believed, therefore, that this trade will revert to the United Kingdom.

Cordage and Rope.—The total imports in 1913 were 25,442 cwts., of which the United Kingdom supplied 20,394 cwts. The importations from other countries with the exception of Norway, from which supplies were drawn to the extent of 2,844 cwts., were on a very small scale. The total importations in 1918 were 13,535 cwts., of which the United Kingdom supplied 5,926 cwts. and Australia 5,628 cwts. India contributed 1,302 cwts. The supplies from Australia and India, which are now sent to this market direct, were previously handled through the United Kingdom and it is not thought likely that the trade will revert to pre-war conditions. Manilla rope of South African manufacture has been introduced since the war. It is of common medium quality only, and it is probable that the better class article will continue to be imported. The bulk of this market's requirements is, however, for the commoner qualities except where the special needs of the harbours and mines are concerned.

The cause of the increase in Foreign Competition.—The restrictions placed upon the manufacture and export of certain articles, hitherto supplied by the United Kingdom, and the resultant diminution of British trade with South Africa, are mainly responsible for the increase in the trade of the United States of America and Japan during the war. Japanese imports into this country received a large measure of support as a consequence of the inclusion of the Cape Ports in the itinerary of the ports of call for Japanese steamers. So far as America and Canada are concerned, neither of these countries has received encouragement from special banking, steamship or distributing facilities. As a matter of fact, freights from the United Kingdom have been cheaper than from either of the countries named. In the case of America, the demand for cash for goods on delivery at the wharf, without guarantee of freight, compelled importers of American goods to lay out capital without any guarantee of receiving the goods, and this arrangement constituted a restraint to American trade.

Stocks of Manufactured Goods.

Municipal Stocks.—The Municipalities are large importers of electrical and other articles, and, at the present time, their stocks are considerably lower than in normal pre-war periods and are steadily decreasing. Such articles as meters; electric wires,

cables and fittings; spare parts for meters; tubing; rolled steel joists and all steel products including tools; implements and all classes of hardware generally including domestic and cooking apparatus are practically unprocurable.

Iron and Steel.—There is a scarcity of all articles made from these metals, including steel sheets, bar iron, wire hauling ropes, water and steam pipes, pipe fittings, boiler tubes, mild steel bars, tool steel and fencing standards. With regard to the fencing standards, there have been practically no imports during the war and stocks are exhausted.

Mining Supplies.—In most of the lines of articles consumed by the gold-mining industry, the Mines have a considerable increase in stocks as compared with the pre-war position but, in the case of the mining material merchants, stocks are practically exhausted. It is anticipated that there will be a great demand for all classes of mining machinery for treating various base metals. The mining of many base metals has only come into prominence during the war, and many of them can only be exported in a raw state owing to the absence of machinery for treating the ores. It is thought that in the future it will not pay to ship many of these ores and they will have to be reduced to a commercial article, ready for use, for which the necessary plant will be required. Among others, the following may be mentioned:—corundum; waste mica; asbestos; chrome ore; iron; tin; copper; graphite; talc; antimony, &c.

Hardware.—The shortage of hardware and metal goods in South Africa is very marked. Large speculative indents have been placed during the past two years, but it is problematical whether the delivery of these indents will represent the supply over demand. Such lines as picks, shovels, mattocks, wire nails, cast iron holloware and kaffir pots are urgently required.

Agricultural Implements.—The present stocks of United Kingdom manufactures such as hoes; spades; digging forks; harrows; ploughs; fencing wire, plain and barbed; and wire netting are practically exhausted, and it is expected that large importations into this country will be absorbed without difficulty.

China and Earthenware.—Stocks of these articles are on a very low scale and every effort will be made to increase the existing supplies as speedily as possible.

Textiles.—The stocks of cotton piece goods held in this country are much larger than in pre-war periods, and it is estimated that the existing supplies are sufficient to meet local requirements for over six months. The stocks of woollen goods are, however, lower than in pre-war periods, particularly so as regards woollen blankets, rugs and shawls.

Apparel and Slops.—Stocks of these articles have been materially reduced, especially so as regards boys' and men's ready-made clothing.

Boots and Shoes.—Stocks of United Kingdom boots are practically exhausted, but American stocks are large and will probably suffice to meet a large part of the requirements in the near future.

Groceries and Oilmen's Stores.—The stocks are on a much more restricted basis than in pre-war days, particularly so as regards starch and paraffin. It is believed that the first opportunity will be taken to import supplies from pre-war sources, as many consumers in South Africa prefer imported to Colonial goods, regardless of the cost. Prior to the war South Africa was favourably inclined towards proprietary brands, and up to the year 1914 a consumer was willing to pay more for the lines he had consumed for many years, in preference to other lines of equal value but under new brands with which he was not familiar. War conditions have, however, dictated a less conservative policy and it is probable that many United Kingdom products which monopolised this market before the war will find that the demand will be on a reduced scale.

Future Demand for Imported Goods.

Effect of increased prices.—Generally speaking, the future demand for imported goods is not likely to be reduced, owing to increase of price, except in the case of articles which are manufactured locally. The spending power of the country has increased very considerably during the war, consequent upon the high prices which have been obtained for South African products. Provided the price of wool, meat, grain and other products is maintained on a high level, the purchasing power of the country will be greater than during the pre-war period. The opinion is held that every effort will be made to obtain, regardless of cost, raw materials and finished products used in the process of local manufacture. The demand for iron and steel manufactures will not be affected by the increase in price as the requirements for development and renovation purposes are enormous. Machinery of every description is urgently needed, including agricultural machinery which is required to keep pace with agricultural developments. Stocks of agricultural implements and hardware are practically depleted and must be renewed as soon as possible. Stocks of electrical goods will have to be replenished, as the restrictions during the war have rendered such articles almost unprocurable. The immediate demand for cotton textiles will probably be reduced from the pre-war level owing to the excessive importations by commercial speculators prior to the signing of the Armistice. There is one want which cannot be filled at present prices and that is the volume of trade for the natives in the up-country districts. In cases where prices have advanced (as in the case of

cotton blankets) some 200 to 300 per cent., it naturally follows that purchases will be made with greater caution, more especially when it is borne in mind that the increases in the rate of wages for natives have been very limited, and, consequently, the spending power of the native population has been greatly reduced.

As regards Municipal stocks, the immediate future demand is not likely to be very materially reduced from the normal pre-war volume, as municipal requirements are chiefly in the nature of essentials. The development of the various commercial centres and the growth of industries is proceeding so rapidly that a progressive increase in municipal undertakings is expected. Many important schemes have been held in abeyance during the war, but cannot be postponed indefinitely. It would seem, therefore, that municipal requirements will far exceed those of pre-war days.

It is improbable that the future demand by the railways and harbours will be reduced from the normal pre-war volume owing to increase of prices, as stocks are low and will have to be increased in order to maintain a reasonable quantity of essential items for ordinary working purposes.

The same remark holds true with regard to tramway material which is necessary for the upkeep of the system and is not governed by sales.

There is no likelihood of enhanced prices reducing the future demands of the Department of Posts and Telegraphs. As the Department has the exclusive privilege of constructing and maintaining the telegraph and telephone systems of the Union, it is under a moral obligation to meet the requirements of the public in this regard. The marked activity in all branches of commercial, industrial and agricultural life throughout the Union now prevailing, will result in demands for extended improved telegraph and telephone facilities, which will tax the Department's resources to the utmost. In this connection, it may be mentioned that some 1,600 applications for telephone connections to the existing exchanges have been refused owing to the shortage of material, and that 700 miles of private telephone wire for the use of country residents is awaiting construction for the same reason. Apart from this there is the additional provision, which will require to be made departmentally, to relieve the pressure upon existing trunk telephone and main telegraph routes.

Exports.—The value of the exports of South African products (excluding gold) for the undermentioned years was as follows:—

1913	1917	1918
£	£	£
26,426,246	25,791,923	28,912,736

These amounts include the exports of diamonds, valued at £12,016,525 in 1913, £6,097,006 in 1917, and £7,063,043 in 1918, and also the exports of coal to the value of £337,457,

£320,801, and £1,033,064 in each of those years, respectively. Full details of the quantity and value of domestic exports are given in the comparative statement in Appendix "H," at the end of this Report, from which it will be seen that during the war the exports of some of the principal products increased in point of quantity, as well as in point of value.

In the case of wool, the exports in 1918 were reduced in quantity, but owing to the high prices ruling the value of the exports showed a marked increase.

The exports of the following articles were also reduced in quantity as compared with the pre-war period, viz.: hides and skins, wattle bark and extract, ostrich feathers, whale oil and fresh fruit.

Wool.—In 1913 the quantity of wool exported was 176,971,865 lbs., valued at £5,719,288; in 1917 the quantity exported was reduced to 117,657,142 lbs., but the value increased to £8,782,280. In 1918 the quantity exported was further reduced to 115,634,498 lbs., but the value was £9,689,630, which constitutes a record. The introduction of the Imperial Government Wool Scheme in 1917 resulted in a considerable quantity of the South African clip being placed at the disposal of the United Kingdom. In addition, large quantities were purchased by America and Japan. During the year 1918 the American Government placed an embargo upon the importation of wool into America, and the purchases hitherto made by Japan were considerably reduced. Consequently, towards the close of the year there was an accumulation of stocks at the various ports for which no market could be found. An offer was made by the Imperial Government to purchase not less than a certain quantity, but as the quantity offered for sale by the wool farmers fell short of that stipulated by the Government, the scheme was abandoned.

Hides and Skins.—In 1913 the exports amounted to 62,580,931 lbs., valued at £2,010,484; in 1917 the quantity was reduced to 46,708,042 lbs., although the value increased to £2,630,985. In 1918 the quantity was further reduced to 43,679,639 lbs., valued at £2,282,656. Although permits to export hides and skins were obtainable and facilities were given for the shipment of large quantities to the United Kingdom and America, the amount of freight space available was insufficient to meet the full requirements of the export trade.

Wattle Bark and Extract.—The quantity of wattle bark exported in 1913 was 145,717,738 lbs., valued at £309,329. In 1917 the quantity exported was reduced to 93,526,862 lbs., valued at £225,710, but in 1918 it increased to 107,904,898 lbs., valued at £287,220. There were no exports of wattle bark extract in 1913, but in 1917 the exports amounted to 2,784,188 lbs., valued at £49,520, and in 1918 to 8,339,459 lbs., valued at £124,887.

Shortage of freight space has been mainly responsible for the reduction in the quantity of wattle bark exported during the war, but the local consumption has been on a larger scale as a consequence of the increased activities of the South African tanneries.

Ostrich Feathers.—The exports in 1913 amounted to 1,023,307 lbs., valued at £2,953,587. In 1917 the quantity exported was reduced to 219,048 lbs. valued at £175,019, and in 1918 the quantity was further reduced to 108,924 lbs., valued at £88,628. The import restrictions imposed by the Imperial Government in the early part of 1917 effectually prevented shipments of ostrich feathers going forward to the United Kingdom. A demand existed in America for these articles, but owing to prohibition by the United States Government no feathers were shipped to the American market after April, 1918. The reduction in export has already had a very serious effect upon production. And even if the demand returns to its pre-war level it will be some years before the pre-war standard of production can be regained.

Whale Oil.—In 1913 the quantity exported was 2,177,537 gallons valued at £122,692, but in 1917 the exports were reduced to 212,659 gallons valued at £16,410. In 1918 the quantity exported was 561,577 gallons valued at £62,316. The large decrease in the exports during the war has been brought about by a combination of circumstances. In the first place, there has been a reduction in the number of firms operating; secondly, the consumption of whale oil by local soap works has largely increased; thirdly, the Government requirements of glycerine for use in the South African explosive factories have been considerable; and, lastly, there are large stocks of whale oil in the country for which permission to export to countries other than the United Kingdom was withheld during the war.

Fresh Fruit.—The exports in 1913 were valued at £52,000. In 1917 the amount was reduced to £22,738 and in 1918 to £16,947. The reduction in the exports of fresh fruit during the last two years was due to the scarcity of refrigerated shipping space which deprived South African growers from reaping the full benefit of the high prices ruling overseas. During the earlier years of the war the exports had been well maintained.

Destinations of Exports.—The destinations of exports of South African Produce (excluding raw gold) during the year 1918 and the year 1913 were as follows:—

Destination.	Years.	Exports of South African Produce.	
		Value.	Per Cent.
		£	
United Kingdom	1918	15,431,665	53·4
	1913	21,240,175	80·3
British Possessions... ...	1918	3,280,194	11·3
	1913	1,213,150	4·5
Foreign Countries	1918	10,200,877	35·3
	1913	3,972,921	15·2
Totals	1918	28,912,736	100
	1913	26,426,246	100

Foreign Countries (notably the United States) have imported a large quantity of South African Produce which was formerly destined for the United Kingdom. Exports to the United States during 1918 were valued at £5,988,380 as compared with a value of £536,217 for 1913. Canada purchased South African products to the value of £231,721 in 1918, as against £18,732 in 1913.

The chief export from this area which has been diverted into new channels during the war is wool, and the principal new destination has been Japan. Before the war the quantities of South African wool retained for consumption by the undermentioned countries were approximately as follows, viz.:—

United Kingdom, 25 per cent.
France and Belgium, 25 per cent.
Germany, 50 per cent.

Before the war, the quantity of South African wool shipped to the United Kingdom was about three times the quantity of such wool retained for consumption in the latter country. About two-thirds of the quantity shipped to the United Kingdom was subsequently re-exported to Continental countries.

Apart from wool, Japan has provided a new market for the undermentioned products, viz.:—

Asbestos,
Copper,
Scrap Materials,
Tin Concentrates, and
Wattle Bark.

The Union of South Africa has also exported to the United States, during recent years, large quantities of the following articles, viz.:—

Copper,
Chrome Ore,
Hides,
Wattle Bark, and
Wool.

Exports of South African products to Australia include the following articles, viz.:—

Maize,
Tobacco,
Tinned Fish, and
Wattle Bark.

Many new markets for South African coal have been found during the war, mainly through the agency of Admiralty vessels, and there is reason for anticipating further demand abroad from places hitherto unacquainted with the merits of the South African product.

ASSOCIATION OF CHAMBERS OF COMMERCE.

Resolutions of Annual Congress.—The Twenty-first Annual Congress of the Association of Chambers of Commerce in South Africa was held at Durban in September, 1918, and was well attended by delegates from the Chambers of Commerce of the Union of South Africa, Southern Rhodesia and Portuguese East Africa.

The undermentioned Resolutions, among others, were carried and the replies by the Government to some of them are given below:—

1. POST-WAR ECONOMICS.—"With the view to assisting the development of the resources of the Empire, with due regard to the future safety of the Nation, this Congress desires to impress upon the Government the necessity of taking suitable action for a fixed period of reconstruction after the war, whereby—

(*a*) South Africa may be rendered independent of enemy countries;

(*b*) Its raw materials may be developed and disposed of in a manner which will ensure that Empire and Allied trade will be benefited;

(*c*) Enemy trade may be penalised by any means which may be deemed advisable."

The Government stated that the Imperial Government had arrived, more or less, at the conclusion that the resolutions of the Paris Conference went further than, possibly, it was practical to carry out. It was generally considered that the resolutions of the recent Imperial Conference are to be preferred. The

Government considered that if the Union acted in co-operation with the Imperial Government in its post-war policy, the recommendations contained in sections (*a*) and (*c*) of the resolution would be properly safeguarded; while the Government agreed with the proposal set forth in section (*b*). Preference had been granted by this country to the United Kingdom and other British Dominions, and it would be of advantage to South Africa if the Imperial Government agreed to accord preferential treatment to the products of the Union. It was hoped that this would be done.

2. Union's Fiscal Policy.—"This Congress considers that for the greater encouragement of industrial development in the Union, the Government should define the fiscal policy it is prepared to adopt, to give reasonable protection to manufacturers against outside competition which will arise after the war."

The Government stated that there was no intention of introducing any revision of the Customs Tariff during the 1919 session of Parliament, and that industrial organisations were being asked to submit their suggestions, which would be of assistance in framing a revised tariff when the opportune time arrives.

3. Government Financial Assistance to Co-operative Societies.—"That this Congress, while noting the growth of the co-operative movement in the Union, objects strongly to the grant of public money and any special facilities to any society established for the purpose of trading in open competition with the mercantile community."

The Minister of Finance replied that the loan of £10,000 to the South African Industrial Federation of Co-operative Societies was a war measure to deal with the peculiar state of affairs prevailing upon the Rand, and that it was not the intention of Government to apply the principle of these loans in future.

4. Transvaal-Mozambique Treaty.—"That this Congress reaffirms the resolution previously adopted: 'Congress is of opinion that an opportunity should be given for an expression of opinion by commercial and industrial bodies before fresh negotiations in regard to any renewal of the Transvaal-Mozambique Treaty are entered upon by the Government of the Union and Mozambique.'"

5. Home Consumption Values.—"That this Congress is of opinion that, in view of the constantly changing price of goods purchased by importers, who, through no fault of their own, cannot get shipment at date of invoice, duty should be collected on value of goods at the date of invoice, not at time of shipment."

The Minister of Finance undertook to consider this question with the Commissioner of Customs.

6. Income Tax.—"This Congress is of opinion that it is necessary and equitable that the farming community should

pay the rates of income tax prescribed by law and that it is practicable to devise means to ensure this result without resorting to other methods of taxing farmers' incomes."

7. Trading Licences.—"That this Congress regrets the delay in equalising trading licences throughout the Union and again urges the Government to pass legislation to remove the present anomalies; that, to secure uniformity, this Congress is of opinion that trading licences should be under the control of the Union Government, although the revenue derived therefrom need not necessarily be diverted from the present channels."

8. Commercial Travellers' Licences.—"That, in the opinion of this Congress, a business house domiciled and carrying stocks within the Union should be free to send its travelling representatives to all parts of the Union without payment of travellers' licences."

9. Codification of Divergent Laws.—"That this Congress, while acknowledging the progress already made, urges the Government to proceed systematically and expeditiously with the codification of divergent laws of the Union, more particularly those relating to companies, weights and measures, registration of businesses and trading licences."

10. Railway Rates on Raw Material.—"That this Congress is of opinion that railway rates on material for manufacture should be reduced, in order to assist the development of inland industries."

Trade Commissioner Service.—Under the scheme for the extension of the Trade Commissioner service, two Trade Commissioners have been appointed in South Africa. The Senior Trade Commissioner is stationed at Johannesburg and the other Trade Commissioner at Cape Town. Each Trade Commissioner will continue to receive the assistance of the Imperial Trade Correspondents already appointed by the Board of Trade.

The services of the Trade Commissioners in South Africa are also utilised by the Government of India.

Among the many important duties which a Trade Commissioner has to perform is that of assisting United Kingdom manufacturers to secure suitable representation in British overseas countries. Every effort is made to keep up-to-date records of the firms who are represented abroad and the names of their representatives. Unfortunately, many United Kingdom manufacturers and their agents neglect to afford Trade Commissioners the assistance that might properly be given to them, by omitting to furnish up-to-date information with regard to their overseas connections. Even when direct application is made to a manufacturers' agent for a list of the agencies held by him he not infrequently omits to include in his return the names of any

foreign or colonial manufacturers he may represent, in addition to those domiciled in the United Kingdom. The invariable result is that Trade Commissioners discover on endeavouring to place a new agency for a British firm that it will clash with a foreign or colonial agency for a similar line held by an otherwise suitable agent, but not previously disclosed by him.

Information with regard to the extent of foreign competition will be welcomed by the Trade Commissioners, who are authorised to purchase samples of foreign competitive articles and to transmit them to the offices of the Department of Overseas Trade in London, from whence they are distributed to the United Kingdom manufacturers concerned.

The Trade Commissioners are desirous of rendering such assistance as is possible to manufacturers in the Dominions, either by assisting them to obtain manufacturing machinery or by any other means.

APPENDIX A.

TRADE OF THE UNION OF SOUTH AFRICA WITH INDIA.

Total Trade.—In 1918 the imports from India into the Union of South Africa, including Government Stores (but excluding specie), were valued at £3,388,117 as against £1,166,884 in 1913, an increase of £2,221,233. The value of the exports (excluding specie) from the Union of South Africa to India was £89,148 in 1918 as compared with £141,163 in 1913, a decrease of £52,015.

Imports.—The average of the yearly contributions by India to the total value of the imports into the Union of South Africa, during the last three years, was 5·6 per cent. as compared with an average of 2·6 per cent. for the three years immediately preceding the war.

Although higher prices for commodities have been an important factor in increasing the total value of the imports, India has been successful in increasing her trade with the Union in a number of articles including the following: Cotton manufactures; bags for coal and produce; paraffin wax; and jute and hessian bagging. In 1913 practically no seaming twine of Indian manufacture was imported into the Union, but during the year 1918 the value of the imports of this commodity was no less than £54,822. The imports of articles of food rose in value from £508,523 in 1913 to £765,583 in 1918.

As compared with the pre-war year, there was in 1918 a decrease in the imports of Government Stores, hats and caps and teak. The imports of bone manures which were valued at £4,905 in 1913 decreased during hostilities, and stopped altogether during the last year in the war.

It will be seen from the following comparative statement of the value of the principal imports from India for the years 1913 and 1918, that whilst the decreases were comparatively small the increases in certain lines were enormous:—

Principal Articles.	Imports from India into the Union of South Africa.			
	1913.	1918.	Increase. (+)	Decrease. (—)
	£	£	£	£
Bags: Coal, Grain, Wool and Other.	389,032	1,246,148	857,116	—
Articles of Food	508,523	765,583	257,060	—
Cotton Manufactures	6,641	502,439	495,798	—
Paraffin Wax	26,740	358,625	331,885	—
Jute and Hessian Bagging ...	23,444	133,518	110,074	—
Oils, Vegetable	23,804	84,250	60,446	—
Seaming Twine	—	54,822	54,822	—
Apparel and Slops	21,875	35,356	13,481	—
Teak	31,925	29,476	—	2,449
Canvas and Duck	9	25,621	25,612	—
Silk Manufactures	7,498	18,205	10,707	—
Carpets and Floor Rugs ...	5,677	17,068	11,391	—
Mats and Matting	5,707	10,755	5,048	—
Drugs, Chemicals and Apothecaryware.	1,805	7,925	6,120	—
Coir Fibre	2,422	7,769	5,347	—
Haberdashery and Millinery ...	7,734	7,642	—	92
Twine	205	5,722	5,517	—
Hats and Caps	4,635	2,063	—	2,572
Bone Manures	4,905	—	—	4,905
Government Stores	78,591	35,003	—	43,588
Total of all Articles (excluding specie)	1,166,884	3,388,117	+2,221,233	

Although the export trade of India with South Africa has increased very considerably, the increase would probably have been on a larger scale had it not been for the shortage of freight space on the steamers from India to South Africa. A lesser though serious discouragement of trade arose out of the financial position of India. Throughout the war the difficulty of financing India's exports steadily increased and the high prices which many of these attained, notably raw cotton and jute goods, only served to accentuate the difficulties. Putting aside the influence of the enormous rise in the rupee exchange rate, the restrictions imposed by the Government of India, in conjunction with the Imperial Government, resulted in Indian banks being only permitted to finance exports which were of urgent national importance. The only payments which banks in India were able to make on South African account were against any funds South Africa might have been able to deposit in India, and during the last years of the war there were practically no channels of remittance. Under normal conditions the principal method employed by South African bankers to provide funds in India was by the purchase of India Council Bills in London. But the amount of these bills available became very limited and their sale was confined to Indian banks. Consequently, the only funds the South African banks were able to

obtain were provided by the Government of India to meet remittances of limited amounts by Indians in South Africa for the maintenance of their families.

These conditions prevented India from competing with foreign countries for the South African trade in such articles as fancy brass, lacquer and silverware. Now, that hostilities have terminated, every effort will be made to develop the export trade of India with South Africa.

APPENDIX B.

REPORTS OF IMPERIAL TRADE CORRESPONDENTS.

(1) Orange Free State.

(By Mr. G. Smetham, the Imperial Trade Correspondent at Bloemfontein).

General remarks.—Credit conditions are good and cash is plentiful, and, on the whole, the local markets have been amply supplied with merchandise from overseas in spite of the disturbed conditions and the exigencies of the war. To protect the interests of United Kingdom merchants it is most desirable that British manufacturers should keep in touch with the buying houses in London and the other large centres, with a view not only to supplying current trade demands and introducing new goods, but to meeting specific cases of foreign competition sympathetically. The value of the British Industries Fair as an exposition of United Kingdom enterprise, and as a mart for the exchange of ideas between buyer and seller, cannot be over-estimated. If, at the same time, it could exhibit, for the benefit of the manufacturer, competitive articles finding favour in the local markets, it would help to foster a competitive alertness favourable to all concerned in the maintenance and development of United Kingdom interests. The general complaint, prior to the war, was that there was a reluctance on the part of British manufacturers to meet foreign competition in particular lines, and the result was that the foreign competitor, having once gained a footing, increased his advantage and ultimately secured a considerable share in the supply of other commodities. It is essential that this should be obviated, otherwise the same unfortunate results will recur.

Mining.—In considering trade conditions in this Province, due regard must be had to its industrial and commercial circum-

stances which are dissimilar in many respects to those prevailing in the other provinces of the Union. The Free State, being land locked, has no seaport or coastal interests and, unlike the Transvaal, is debarred at present from extensive mining operations, although there is good reason for supposing that valuable discoveries of diamond and coal deposits will ultimately be made and that gold will be located in payable quantities. So far, from a mineral point of view, the major portion of the Province is practically unprospected, but indications are constantly being traced which promise well for the future. The coal mines of Messrs. Lewis & Marks, at Vereeniging, and the Jagersfontein and Koffyfontein diamond mines are the chief mining ventures established on a permanent and profitable basis. The total sales of coal in the Province for 1918 were 826,577 tons, valued at the pit's mouth at £229,736, or 75 per cent. increase on the output for 1911. Its value per ton was 5*s*. 6½*d*. The total sales of diamonds were 219,424 carats, valued at £758,315.

Agriculture and farming.—The chief industry is agricultural and pastoral farming and the main products are wool and maize. The past year has, however, seen a marked increase in the production of butter through the creameries and in the output of bacon, which has advanced both in quantity and quality. The breeding of thoroughbred stock and of cattle for the meat market is also becoming a feature of production of the Free State and this branch of the farmer's enterprise is expanding rapidly. With the increase in the output and value of the produce there has been a steady increase in the value of the land which, in the more fertile parts of the Eastern Free State, has advanced to £8 or £10 per morgen—a morgen being a little over two acres. This increase has resulted in the sub-division of large farms and the introduction of more scientific methods of farming.

Bank clearances.—Given a continuance of good seasons further general prosperity is bound to result and the satisfactory conditions of trade during the years of the war are likely to continue during the succeeding years of peace. As an indication of the trend of business conditions it may be as well to quote the bank clearances for Bloemfontein during the past five years. Bloemfontein being the capital, it focusses to a considerable extent the prosperity of the Province and for that reason the figures are of particular interest:—

Years	Bank Clearances.
	£
1914	2,755,797
1915	3,071,767
1916	3,229,903
1917	4,482,051
1918	5,371,570

(2) Southern Rhodesia.

(By Mr. Lochée Bayne, the Imperial Trade Correspondent at Bulawayo.)

Imports.—The total imports into Southern Rhodesia, exclusive of specie, amounted to £2,956,968 during 1918. They entered the territory through the usual routes in the following proportions:—

	Percentage of Imports.
viâ Beira	31·61
,, Union of South Africa	67·89
,, Northern Rhodesia and beyond ...	0·50
	100·00

Deducting the value of Government stores from the above total imports of £2,956,968, we arrive at the figure £2,896,828, which represents the value of merchandise on private account.

The relative proportions of the imports according to countries of origin are as follows:—

	Percentage.
From the United Kingdom	43·30
,, British South Africa	27·82
,, Other British Possessions ...	9·57
Total British	80·69
From Foreign Countries	19·31
	100·00

The principal countries whence these goods were supplied, were as follows:

Principal Countries.	Value of Imports.	Percentage of Total Imports.
	£	Per cent.
United Kingdom	1,254,501	43·3
Union of South Africa	796,291	27·5
United States of America...	283,571	9·8
Canada	129,045	4·5
India	120,171	4·1
Japan	97,450	3·4
Portuguese East Africa	50,881	1·8

Although imports from the United States of America have increased during 1918 as compared with 1917, the percentage share of that country to the total trade of Southern Rhodesia has decreased by 1·6 for the same period.

Imports from Japan have risen during the war from £9,029 in 1913, to £97,450 in 1918. It is unlikely, however, that Japan's trade with this territory will be maintained to the same extent owing to the fact that (1) goods from that country have not been supplied according to sample and (2) they can now be obtained elsewhere.

The value of Union of South Africa produce and manufactures imported into Southern Rhodesia during 1918, amounted to £796,291, compared with £534,681 for 1913. It may be expected, however, that the South African articles will now, to some extent, be substituted by those from overseas, although it is probable that many of the industries in the Union of South Africa established during the war will be maintained.

Merchants in Rhodesia, particularly those dealing in "Kaffir truck" are now over-stocked, and, in many instances, have paid considerable sums to suppliers overseas to be allowed to cancel their orders.

The large mines also have considerable stocks on hand, some as much as will suffice for nine months.

Merchants are now importing an increased proportion of the better class articles for sale to the native. While the very cheapest of articles are still being imported, merchants have now to meet the rapidly increasing demand for articles of better quality. There is a marked improvement in the quality, as well as the quantity, of agricultural implements now purchased by the native. For instance, whereas formerly he was satisfied with the wooden frame plough he now insists on the all iron and steel plough. Formerly, the ordinary cotton print known here as "limbo" was practically the only cloth in demand by the native, but to-day the native asks for piece goods, such as khaki, imitation silk and poplin. Sewing machines are in demand by the native—especially in Matabeleland. Most of the men's outfitters in the territory also find it necessary to increase their indents to meet the demands of the natives in the towns for a superior class of article.

Exports.—The total exports, exclusive of specie and imported goods re-exported, were £4,415,512. There was a substantial increase in the number of cattle exported, owing to the purchase by the Imperial Government of slaughter cattle for the use of the troops in East Africa.

New Industries.—Several new industries have been established in this territory during the war. Amongst these may be mentioned—

(1) the production of cattle dip from arsenic produced in this territory;

(2) the manufacture of biscuits in large quantities for the native trade; and

(3) the manufacture of boots and clothing for natives.

(3) Natal.

(By Mr. A. D. C. Agnew, the Imperial Trade Correspondent at Durban.)

Imports and Exports.—During the year 1918 the tonnages of goods landed and shipped at Durban were:—

Landed	592,183 tons.
Shipped	1,781,570 ,,

The value of merchandise imported viâ Durban was £18,901,000.

The values of principal exports of South African products from Durban were as follows:—

	£
Asbestos, Raw	11,000
Bark	287,000
Bark Extract	125,000
Blasting Compounds	50,000
Coal, Cargo	689,000
Coal, Bunkered (approximate) ...	1,000,000
Hair, Angora	144,000
Hides and Skins	634,000
Soap	47,000
Tobacco, all kinds	42,000
Wool	2,463,000
Spirits, non-potable	42,000

Coal.—The output from Natal collieries was distributed as follows:

	Tons.
Coal bunkered by vessels at Durban ...	592,283
Coal exported from Durban by sea, including exports to Cape ports	583,167
Consumed on Railways and Harbours ...	449,464
Locally consumed, stocked in Natal, and conveyed overland to Cape ports ...	704,556
Total	2,329,470

Wool.—During 1918, there were periods of dullness and activity, but no violent fluctuations.

Shipments viâ Durban amounted to 33,776,038 lbs., with a total value of £2,463,081. The 1918 clip was, as a rule, deficient in length, while both condition and style were below average.

With the advent of the new season in October, and with renewed buying for Japan all the better classes of long wool

secured a fairly safe market. The outlook is said to be promising for a steady demand for some time ahead, though extreme prices may no longer be expected.

Mohair.—The quantity coming to Durban is small but the market has been extremely favourable. During the year the exports amounted to 2,094,013 lbs., with a total value of £143,584.

The close of the year found the market very firm.

Wattle Bark.—48,171 tons were exported in 1918. The export trade, having regard to the scarcity of freight, must be considered very satisfactory. Prices fluctuated very considerably, viz., from £4 12*s*. 6*d*. to £5 12*s*. 6*d*. per ton. Pressed bark rose from £6 to £10 per ton.

Wattle Extract.—In 1918, 8,339,000 lbs. were exported, with a total value of £125,000. There are now four factories working in the Province, and the establishment of others is being considered.

The quantity shipped in 1917 was only 2,784,000 lbs., with a total value of £50,000.

Tobacco. The 1918 crop did not turn out well, but better results are anticipated for the following year.

The Natal cigar trade is greatly handicapped owing to the scarcity of imported leaf, required in the manufacture of cigars.

Sugar.—The 1918-19 crop will, no doubt, exceed all records. At this stage last year it appeared that a large crop might be anticipated, but the final estimate of 145,000 tons has exceeded the most sanguine expectations.

Weather conditions on the whole have been favourable, and the abundant rains which fell in the growing seasons 1917-18 greatly stimulated growth.

Production and estate work were much interfered with by influenza, and the output was considerably reduced; for some time the epidemic reduced the labour supply in many districts, making it necessary to leave over a large portion of the canes.

The large acreage now under cultivation has, of course, increased difficulties, particularly in regard to shortage of labour. Considerable quantities of material and supplies have to be imported from overseas. There are very few necessary articles which do not cost more than three times the prices current before the war. Profits are accordingly reduced and all concerned suffer.

Heavy floods last season caused very serious damage to roads, bridges, &c., and the necessity for immediate attention to repairs occasioned the diversion of labour from the canefields, where the supply available was already insufficient.

It is estimated that, during the first quarter of 1919, 12,000 to 15,000 tons will be shipped oversea, if freight can be arranged,

During the five seasons ended 1917-18 the output of sugar in Natal, in tons of 2,000 lbs., was as follows:—

Years.	Tons of 2,000 lbs.
1913-14	92,000
1914-15	102,000
1915-16	112,000
1916-17	114,000
1917-18	106,000

Tea.—The crop for the season ending June, 1919, will probably fall short of the previous year's output by about 20 per cent., the yield being probably 950,000 lbs. The falling off is largely attributable to labour shortage and the influenza epidemic.

During the heaviest picking months of the season, November and December, the supply of labour to the fields was very seriously reduced. On one of the largest estates no picking was done during December.

During the latter part of the season the demand for Natal teas has fallen off. This may be attributable to speculation in imported teas during 1918. According to Customs returns imports were equal to the normal demands of the whole of the Union for two years. A large portion of these importations has been re-exported.

APPENDIX C.

AFFORESTATION AND AGRICULTURE.

(Report furnished by a reliable authority to H.M. Trade Commissioner).

The Union of South Africa has no greater need than a greatly increased afforested area. Vast quantities of trees are destroyed annually to supply the wants of the mines, while no great effort is being made to replenish the loss. In addition, timber is required in a host of other industries, not excluding the agricultural industry. As an investment, the potentialities of tree-planting in South Africa are well worth investigation, for owing to the rapid growth, the profit is said to be very considerable. There will be in South Africa, as everywhere, an ever increasing demand for timber.

The influence of trees on the water supply is all important. They have "protective" influences greater than was generally

recognised, they store up water without cost, and would, if their presence were more general, prevent, to a very large extent, the enormous wastage of water that now takes place. Many years ago, authorities predicted the rapid drying up of South Africa, owing to the physical formation of the country, unless steps were taken to arrest the water on its way to the sea.

Several valuable storage schemes have been completed in recent years, and others are in course of construction, but the need for the conservation of water all over the country, although recognised, has not yet been met. It is probable, however, that as the education of the South African farmer proceeds, the number of irrigation schemes, small and large, will increase.

The full development of the rural areas will not be attained without three things, viz.: the provision of transport for outlying districts, the co-operative collection of produce in areas adjoining the railway lines and additional propaganda amongst farmers by means of "agricultural touring trains" or some other system. A much larger output could be obtained from the land were more general cultivation stimulated by such methods. A further outstanding need of the inland districts is the establishment of canning factories, to absorb the large quantities of fruit and vegetables now being produced in excess of the consumptive capacity of the local markets.

Enquiries are being made as to the merits and cost of motor ploughs. The advent of mechanical power for farm purposes is inevitable in a country of irregular rainfall, where, for that reason, ploughing must be done in a comparatively short period. It may be expected that, in the near future, travelling motor traction ploughs will be available at a definite charge per acre for those unable to buy a plant for themselves.

Attention also has been given to the production of fibre plants, especially Hibiscus Cannabinus, which in parts of the country grows so luxuriantly as to be looked upon as a noxious weed. A company has recently been formed to cultivate this plant on a considerable scale. Should this be successful the local manufacture of grain bags, sugar pockets and hessian, now imported from India, will be a natural outcome.

It is sometimes claimed that South Africa is more naturally fitted for stock raising than agriculture. There is no doubt that, since the eradication of some diseases has been accomplished and a better control of others undertaken, livestock farming has become very profitable. The production of beef, and of sheep for both mutton and wool, and the breeding of pure bred stock, give, in capable hands, a high return on the capital invested. There are large areas of cheap land both in the Cape Province and in the Transvaal where, if water were available, this industry could be carried on to a considerable extent, and supply together with Rhodesia a not inconsiderable proportion of needs in meat of the United Kingdom.

APPENDIX D.

STATEMENT SHOWING THE CLEARING HOUSE RETURNS AT VARIOUS CENTRES DURING EACH MONTH OF THE YEAR 1918.

Months.	Bloemfontein.	Cape Town.	Durban.
1918.	£	£	£
January	382,754	3,708,486	3,957,791
February	417,982	3,710,665	3,413,810
March	448,304	4,344,546	3,345,621
April	499,123	4,403,069	3,253,142
May	500,566	4,292,119	3,360,826
June	423,464	4,344,307	3,067,156
July	519,443	4,798,496	3,856,833
August	418,935	4,591,320	3,664,222
September	514,325	4,344,368	3,499,068
October	347,913	3,343,016	3,517,478
November	432,954	3,988,542	3,514,265
December	465,807	4,191,884	4,073,951

Months.	Johannesburg.	Port Elizabeth.	Pretoria.
1918.	£	£	£
January	11,968,248	1,392,482	1,326,783
February	12,931,717	1,257,887	1,246,145
March	12,828,012	1,414,548	1,362,148
April	12,348,352	1,617,156	1,525,500
May	11,655,536	1,573,549	1,578,094
June	12,821,462	1,671,189	1,404,291
July	12,663.220	1,984,837	1,389,112
August	14,556,906	1,491,924	1,521,880
September	13,285,130	1,244,629	1,542,047
October	11,424,423	1,188,934	1,216,573
November	11,826.840	1,244,554	1,354,282
December	12,321,096	1,279,491	1,292,337

APPENDIX E.

STORES CONSUMED BY THE MINES OF THE UNION OF SOUTH AFRICA DURING THE YEAR 1918.

Stores.	Consumption.	
	Weight or Quantity.	Value.
		£
Bags	—	24,765
Belting (including laces and fasteners)	—	182,196
Boiler fluid	—	5,158
Bricks	—	52,388
Brushware	—	15,554
Candles (lbs.)	11,011,731	449,385
Carbide (lbs.)	2,691,469	67,324
Castings : (*a*) Brass	—	41,960
(*b*) Iron	—	120,106
Cement : (*a*) Casks (No.)	218	444
(*b*) Bags (No.)	188,909	82,544
Charcoal	—	7,464
Chemicals and assay and smelting requisites.	—	148,108
Cloth (brattice and filter) and matting	—	27,992
Coal-cutting machines (No.)	114	9,486
Coal-cutting machine spares	—	14,307
Coal : (*a*) Smithy (tons)	20,056	29,093
(*b*) Steam (tons)	1,931,342	1,092,114
(*c*) Other (tons)	133,926	52,734
(*d*) Duff and dross (tons) ...	385,898	93,232
Coke (tons)	9,006	63,205
Compressed air (purchased)	—	342,599
Cyanide (lbs.)	6,778,722	368,259
Disinfectants and hospital requisites ...	—	43,289
Electric Machinery	—	221,364
Electric machinery spares	—	90,161
Electric power and light (purchased) ...	—	1,493,185
Explosives :		
(*a*) Blasting gelatine (cases) ...	33,944	106,595
(*b*) Gelignite and gelatine dynamite (cases).	540,264	1,230,069
(*c*) Dynamite and Ligdyn (cases)	106,303	182,817
(*d*) Other explosives (cases) ...	16,115	41,471
(*e*) Detonators	—	81,548
(*f*) Electric detonators (or electric fuses).	—	13,270
(*g*) Safety fuse	—	244,459
(*h*) Lighting torches (tyisa sticks)	—	15,157
Fencing and wire netting	—	6,345
Fodder for stables : bran, chaff, mealies, forage, etc.	—	60,318
Foods, etc. (supplied free to coloured labourers) :		
(*a*) Beans (lbs.)	6,972,374	38,229
(*b*) Dholl (lbs.)	189,078	2,411
(*c*) Rice (lbs.)	3,376,733	41,982
(*d*) Meal (mealie, Kaffir corn, etc.) (bags).	731,116	565,585

Stores.	Consumption.	
	Weight or Quantity.	Value.
Foods, etc.—*continued.*		£
(*e*) Malt and cereals for beer ...	—	37,762
(*f*) Meat (lbs.)	36,088,381	601,074
(*g*) Fish (lbs.)	294,935	4,214
(*h*) Salt (bags)	10,767	3,746
(*i*) Groceries, coffee, sugar, oil, ghee, molasses, etc.	—	66,605
(*j*) Sundry food, including bread	—	213,621
(*k*) Vegetables	—	64,499
(*l*) Medicines, etc.	—	41,030
(*m*) Clothing	—	6,366
Foundry requisites	—	2,096
Hand tools (picks, shovels, hammers, etc.)	—	150,948
Hose fittings	—	31,427
Hosing (steam, suction, rock-drill, etc.)	—	79,697
Iron : (*a*) Bar and angle (lbs.) ...	4,845,223	79,638
(*b*) Galvanized	—	30,550
(*c*) Sheet (lbs.)	76,023	2,629
(*d*) Pig (lbs.)	409,182	3,773
Ironmongery :		
(*a*) Bolts, nuts, washers, and rivets (lbs.)	3,308,689	99,459
(*b*) Screws and nails	—	40,229
(*c*) Locks, hinges, staples, chains, etc.	—	17,196
(*d*) Other	—	11,402
Lamps and spares	—	19,267
Lead : (*a*) Pig (lbs.)	239,443	3,764
(*b*) Sheet (lbs.)	18,109	771
Lime : (*a*) White (bags)	475,381	119,157
(*b*) Blue (bags)	26,075	5,807
Lubricants : (*a*) Oils (gallons) ...	894,851	166,506
(*b*) Grease and tallows ...	—	118,068
Machinery and machine tools	—	533,215
Machinery spares, other than electric ...	—	277,204
Mercury (bottles)	2,365	52,612
Metals (anti-friction)	—	31,239
Motor cars and accessories	—	21,818
Oils, other than lubricating :		
(*a*) Transformer (gallons) ...	14,353	3,222
(*b*) Other (gallons)	64,850	10,211
Oilskin suits and gumboots	—	25,909
Packing	—	65,136
Paint, tar, driers, etc.	—	33,840
Paraffin (cases)	35,546	32,741
Petrol (cases)	18,288	29,975
Pipes and pipe fittings	—	448,343
Rails, crossings, sleepers, etc.	—	274,231
Rock drills (No.)	2,588	100,180
Rock drill spares	—	287,646
Ropes : (*a*) Wire	—	259,823
(*b*) Vegetable fibre	—	16,583
Screening	—	33,562
Shoes and dies (lbs.)	12,756,561	207,232
Skips, cages, kibbles and spares ...	—	14,695

Stores.	Consumption.	
	Weight or Quantity.	Value.
		£
Soap (lbs.)	630,926	13,523
Soda (lbs.)	1,166,646	3,273
Stationery and printing...	—	95,808
Steel : (*a*) Bar, tool, cast, etc. (lbs). ...	1,427,117	37,961
(*b*) Sheet (lbs.)	5,754,234	106,174
(*c*) Hand drill (lbs.)	2,548,594	67,142
(*d*) Rock drill (lbs.)	6,281,335	275,003
(*e*) Other (lbs.)	1,304,544	29,277
Timber: (*a*) Building material (ceilings, floorings, doors, etc.)	—	41,539
(*b*) Oregon, pitch pine, etc. ...	—	299,193
(*c*) Mining poles and lagging	—	471,677
(*d*) Deals	—	96,471
(*e*) Other	—	77,918
Tube mill requisites :		
(*a*) Pebbles and flints	—	959
(*b*) Liners	—	76,349
(*c*) Other requisites	—	8,395
Trucks and spares	—	120,645
Waste	—	16,348
Water (purchased)	—	184,293
Wood fuel	—	18,419
Zinc and zinc discs (lbs.)	6,306,821	275,417
Sundry articles not specified above ...	—	266,624
Total value	—	15,131,798

APPENDIX F.

TOTAL EXPENDITURE IN CONNECTION WITH STORES CONSUMED BY THE MINES OF THE UNION OF SOUTH AFRICA DURING THE YEAR 1918, COMPARED WITH THE PREVIOUS SEVEN YEARS.

Years.	Gold Mining Industry.	Diamond Mines.	Coal Mines.	Base Mineral Mines.	Works : (Lime Flint and Gypsum).	Total.
1918.	£	£	£	£	£	£
Transvaal Produce	12,982,696	122,778	512,101	272,246	58,221	13,948,042
Cape „	35	449,311	125	89,484	25,637	564,592
Orange Free State „	—	175,053	78,085	—	2,191	255,329
Natal „	739	—	493,594	655	4,919	499,907
Total Union of S.Africa	12,983,470	747,142	1,083,905	362,385	90,968	15,267,870
1917	12,704,839	688,801	996,242	453,398	79,985	14,923,265
1916	12,320,502	360,485	798,611	448,037	67,623	13,995,258
1915	10,935,383	139,521	617,819	343,150	46,498	12,082,371
1914	10,277,087	969,325	643,158	291,879	43,086	12,224,535
1913	10,633,152	1,645,219	643,256	395,504	45,774	13,362,905
1912	10,311,940	1,466,151	523,025	307,135	51,796	12,660,047
1911	11,714,755	1,450,127	544,782	305,830	55,614	14,071,108

APPEN

STATEMENT OF THE PERCENTAGES OF THE TOTAL VALUES OF IMPORTS MANUFACTURES FROM VARIOUS COMPETING COUNTRIES INTO

Competing Countries of Manufacture.	Fencing Wire.		Stoves.		Tools.		Implements, Agricultural, of all sorts		Iron, Galvanised and Corrugated.	
	1913.	1918.	1913.	1918.	1913.	1918.	1913.	1918.	1913.	1918.
United Kingdom.	25·3	0·3	50·7	60·0	38·8	30·7	36·8	13·2	96·9	—
United States of America.	46·7	61·3	21·3	30·3	42·0	61·0	41·2	51·2	2·2	99·9
Germany ...	26·1	—	5·7	—	13·5	—	8·9	—	—	—
Canada ...	—	38·3	—	—	—	—	3·5	21·2	—	—
Sweden ...	—	—	19·4	7·7	—	—	—	—	—	—
Japan ...	—	—	—	—	—	—	—	—	—	—

APPEN

QUANTITY AND VALUE OF THE PRINCIPAL EXPORTS OF SOUTH AFRICA IN 1913,

Principal Products.	1913.		1917.
	Quantity.	Value.	Quantity.
		£	
Blasting Compounds ... Lbs.	1,057,450	36,567	11,023,623
Diamonds ... ... Carats	5,503,861	12,016,525	2,403,626
Coal ... ... Tons of 2,000 lbs.	856,031	337,457	538,679
Copper Ore ... Tons of 2,240 lbs.	7,040	156,748	8,678
„ Regulus and Smelted Tons of 2,240 lbs.	9,500	292,607	7,648
Tin, Block ... ... Cwts.	—	—	4
„ Ore and Concentrates ... Tons	2,779	381,042	2,636
Wool ... ... Lbs.	176,971,865	5,719,288	117,657,142
Maize ... ... „	22,943,608	65,163	468,702,325
Maize Meal ... ... „	4,696,823	18,509	94,072,208
Hides and Skins ... ... „	62,580,931	2,010,484	46,708,042
Mohair ... ... „	17,355,882	876,255	3,690,828
Meat, Fresh or Frozen (Beef and Veal). „	8,943	343	47,252,995
Wattle Bark ... ... „	145,717,738	309,329	93,526,862
„ Extract ... ... „	—	—	2,784,188
Tobacco and Cigarettes ... „	242,182	15,339	892,464
Butter ... ... „	43,585	2,855	2,979,224
Ostrich Feathers ... ... „	1,023,307	2,953,587	219,048
Sugar ... ... „	347,244	3,032	4,013,241
Whale Oil ... ... Gallons	2,177,537	122,692	212,659
Cheese ... ... Lbs.	451	19	76,836
Fruit, Fresh	—	52,000	—
Eggs, Fresh Poultry ... No.	1,065,954	5,894	5,910,058
Cotton, Raw ... ... Lbs.	32,471	811	46,673
Total Exports of South African Products (except Gold*).	—	26,426,246	—

For notes to Appendix

DIX G.

OF HARDWARE, MACHINERY AND OTHER CLASSES OF IRON AND STEEL THE UNION OF SOUTH AFRICA DURING THE YEARS 1913 AND 1918.

Machinery of all sorts.		Lamps and Lampware.		Cutlery.		Sewing Machines.		Nails and Screws.		Competing Countries of Manufacture.
1913.	1918.	1913.	1918.	1913.	1918.	1913.	1918.	1913.	1918.	
59·5	55·0	32·9	31·7	71·9	46·8	61·5	95·4	60·9	13·6	United Kingdom.
20·1	39·8	25·9	40·5	4·1	8·0	5·4	4·4	10·0	30·4	United States of America.
16·1	—	36·3	—	23·0	—	32·9	—	16·8	—	Germany.
—	—	—	—	—	14·6	—	—	—	31·2	Canada.
—	—	—	—	—	—	—	—	—	—	Sweden.
—	—	—	—	—	27·9	—	—	—	—	Japan.

DIX H.

AFRICAN PRODUCE (EXCLUDING GOLD) FROM THE UNION OF SOUTH 1917 AND 1918.

1917.	1918.		Principal Products.
Value.	Quantity.	Value.	
£		£	
525,666	3,960,080	156,603	Blasting Compounds.
6,097,006	2,571,646	7,063,043	Diamonds.
320,801	1,208,386	1,033,064	Coal.
524,359	4,665	258,920	Copper Ore.
452,063	1,509	88,330	„ Regulus and Smelted.
71	1,925	30,146	Tin, Block.
274,493	2,156	245,067	„ Ore and Concentrates.
8,782,280	115,634,498	9,689,630	Wool.
1,519,860	509,495,794	1,600,137	Maize.
407,356	167,115,124	662,332	Maize Meal.
2,630,985	43,679,639	2,082,656	Hides and Skins.
280,636	19,645,684	1,641,889	Mohair.
1,043,854	18,656,058	467,184	Meat, Fresh or Frozen (Beef and Veal).
225,710	107,904,898	287,220	Wattle Bark.
49,520	8,339,459	124,887	„ Extract.
86,579	1,731,947	159,593	Tobacco and Cigarettes.
196,020	1,316,834	96,756	Butter.
175,019	108,924	88,628	Ostrich Feathers.
57,567	5,342,248	70,166	Sugar.
16,410	561,577	62,316	Whale Oil.
5,539	424.993	25,911	Cheese.
22,738	—	16,947	Fruit, Fresh.
38,791	1,710,368	12,099	Eggs, Fresh Poultry.
3,947	183,228	11,799	Cotton, Raw.
25,791,923	—	28,912,736	Total Exports of South African Products (except Gold*)

H *see* next page (90).

Note.—Ships' Stores are excluded from the above Table.

* It is stated in the report to the "Annual Statement of the Trade and Shipping of the Union of South Africa" for 1918 that the value of the Exports of South African produce (*including* the value of the raw gold, the output of the Union), in each of the above-mentioned years was as follows :—

1913.	1917.	1918.
£	£	£
64,015,645	64,099,598	64,671,052

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